



FINANCIAL TIMES

Europe's Business Newspaper

WEEKEND JANUARY 16/JANUARY 17 1993

D8523A

Yeltsin offers nuclear security deal to Ukraine

Russian leader Boris Yeltsin yesterday said his country was ready to give neighbouring Ukraine a promise that it would not launch a nuclear attack against it. The offer was in return for ratification by the Ukrainian parliament of the Start 1 treaty and the return of Russia's strategic nuclear missiles. Page 2

Threat to India's unity: India could break apart if communal violence is allowed to spread, the country's prime minister P V Narasimha Rao warned. He was speaking after touring Bombay, where at least 500 people have died in recent Hindu-Muslim rioting. Financial help pledge. Page 3

Dow Chemical takes \$430m charges: The US's biggest chemicals group warned investors to expect a disappointing fourth quarter, disclosing a \$430m (£282.8m) pre-tax charge against 1992 earnings. They are to cover restructuring moves, including job cuts and plant closures. Page 10

European publishing deals: Dutch publisher Wolters Kluwer has bought Liber, Sweden's second-biggest publishing house, from a group of Swedish institutional shareholders. Page 10

No agreement on army roles: Germany's government failed to muster the necessary parliamentary majority for a constitutional change that would mean German soldiers could take part in UN peace-keeping and peace-making operations.

Danish power vacuum: Denmark's Social Democratic party seems likely to form a minority government following the resignation of prime minister Poul Schlüter. Page 3

US boosts Haiti patrol: US Coast Guard ships are ringing Haiti to forestall a big migration of boat people after president-elect Bill Clinton takes office next Wednesday. Mr Clinton reversed his earlier stand, saying he would maintain the present policy of deporting Haitians without an immigration hearing.

FT-SE 100 index: Hourly movements: 2,800, 2,790, 2,780, 2,770, 2,760, 2,750, 2,740. 11 Jan 1993, 15:00. London equities: Stocks eased upwards in London, leaving the FT-SE 100 index 5.9 points stronger at the end of the day at 2,765.1, although still 34.1 lower than at the start of the week. Sentiment was boosted by Wall Street's healthy opening and a surge of overseas-sourced buying. But the market later lost heart, seeing the latest UK inflation data as putting paid to lingering hopes of a UK interest rate cut. Page 13; Weekend FT, Page 11

British dead in volcano eruptions: A British scientist was named as one of at least six people killed in a volcanic eruption in southern Colombia. Geoff Brown, 47, professor of earth sciences at the Open University, was among 100 volcanologists in Colombia for a conference.

Irish mortgage meetings: Irish building societies met government officials to try to avert interest rate rises that could mean home loans of 18 per cent. The societies warned that rates would have to rise early next week unless money market costs fell sharply. Currencies, Page 11

Actor confesses to murder: Brazilian actor Guilherme de Faria confessed in a Rio de Janeiro court to murdering Daniela Perez, his co-star in a prime-time television soap opera. The case has dominated Brazilian headlines since the murder in December.

Two die in storms: A father and son were killed in Cumberland when their car was crushed under a lorry toppled by high winds. Elsewhere in Britain, gales and heavy rain brought blocked roads, road closures and flooding. Weather, Page 22

Forged dollars: South German police seized forged \$50 bills with a face value of \$15m (£9.8m). They arrested six people and impounded a printing press.

Women's polar crossings: Four US women skiers have reached the South Pole. They are trying to become the first female expedition to cross the Antarctic.

STOCK MARKET INDICES		STERLING	
FT-SE 100	2,765.1 (+5.9)	New York lunchtime	1,529
Yield	4.39	London	1.53
FT-SE Eurotrack 100	1,889.80 (+12.65)	S	1.53 (1.5375)
FT-A All Share	1,340.16 (+0.28)	DM	2.9925 (2.49)
Nikkei	10,000	FF	8.4625 (8.44)
New York lunchtime		Sfr	2.29 (2.2775)
Dow Jones Ind. Ave.	3,273.83 (+5.95)	Y	183 (183.25)
S&P Composite	438.38 (+2.44)	£ index	81.2 (81.0)
US LUNCHTIME RATES		DOLLAR	
Federal Funds	2 1/8%	New York lunchtime	1.53
3-mo Treas. Bills	5.00%	DM	1.53
Long Bond	10 1/4%	FF	5.6295
Yield	7.36%	Sfr	1.993
LONDON MONEY		£ index	128.185
3-mo interbank	7 1/4% (7%)	DM	1.5355 (1.6195)
Life long (ft future: Mar 1993)		FF	5.625 (5.49)
NORTH SEA OIL (Argus)		Sfr	1.4875 (1.4815)
Brent 15-day March	\$37.8 (17.325)	Y	128.1 (125.7)
WTI	\$37.8 (17.325)	£ index	81.2 (81.0)
Gold	\$327.8 (327.3)		
New York Comex Jan	\$327.8 (327.3)		
London	\$327.8 (327.3)		
		Tokyo Close	

For customer service and other general enquiries call:

Frankfurt
(69) 15685150

Iraq given further ultimatum as US troops fly in

By George Graham
in Washington and
Mark Nicholson in Kuwait

THE US, Britain, France and Russia last night delivered another ultimatum to Iraq, warning it to give clearance for United Nations aircraft to enter the country by 5pm GMT or risk being in breach of its obligations under a series of UN resolutions. Iraq's UN representative Nizar Hamdoun was reported shortly before the deadline to have said Baghdad had agreed the flights could resume but could not guarantee their safety in the event of another allied military attack.

The warning also demanded the removal of Iraqi police posts from Kuwaiti territory. It came two days after a raid by allied aircraft on missile sites in the air exclusion zone in southern Iraq. President George Bush declined to spell out what action might follow if Iraq did not comply with the ultimatum. "Sufficient warnings have been given. They know what they must do. This is not just the US, it's the United Nations. It is a strong coalition whose determination has not diminished in any single way," Mr Bush said.

Iraq claimed yesterday its air defences had chased off a military aircraft from the southern no-fly zone. It warned the allies that anti-aircraft units had been alerted to confront any more "hostile activity". The US administration has given Iraq only one choice, that is the choice to go to war," said the government newspaper al-Jumhuriyah. The US said it could not confirm another Iraqi claim that its anti-aircraft batteries had fired on a "hostile air target" in the south of the country. The latest US ultimatum was issued shortly after more than 300 troops from the US Army 1st Cavalry Division flew into Kuwait from Fort Hood in Texas. A further two jets were due to land during the night. US officials expect the full complement of about 1,100 troops to be in place by tonight.

They comprise a reinforced brigade of two M1A1 battle tank companies, an infantry company using Bradley fighting vehicles, and an artillery battery. Officials stressed that the troops would not be employed to police Kuwait's border with Iraq. The fresh deployment will bring to about 1,700 the number of US military personnel in Kuwait. The brigade will conduct manoeuvres with the Kuwaiti army in what officials said would be an "open-ended" deployment. The 1st Cavalry held exercises with the Kuwaitis last August and October and the present deployment represents an acceleration of a joint operation planned for later this year. In spite of the highly trumpeted arrival of the US forces, there were no signs last night that Iraq had dismantled six police posts on the Kuwait side of the UN-designated border, as the UN Security Council had ordered it to do by midnight last night. The police posts, ramshackle structures each manned by up to a dozen Iraqi police, lie between one and two kilometres into Kuwaiti territory under the new UN border demarcation.

Mr Richard Cheney, US defence secretary, warned President Saddam Hussein not to gamble about the US's readiness, if necessary, to launch further military attacks, either before or after Mr Bush hands over to Mr Bill Clinton next week. "He ought to understand that we are prepared to do it again if we have to," Mr Cheney said. US officials believe Wednesday's raid was successful because Iraq no longer had a functional air defence network in the no-fly zone set up by the allies south of the 32nd parallel.

US officials believe Wednesday's raid was successful because Iraq no longer had a functional air defence network in the no-fly zone set up by the allies south of the 32nd parallel.

Inflation falls to 2.6% but underlying rate rises

By Emma Tucker, Economics
Staff, in London

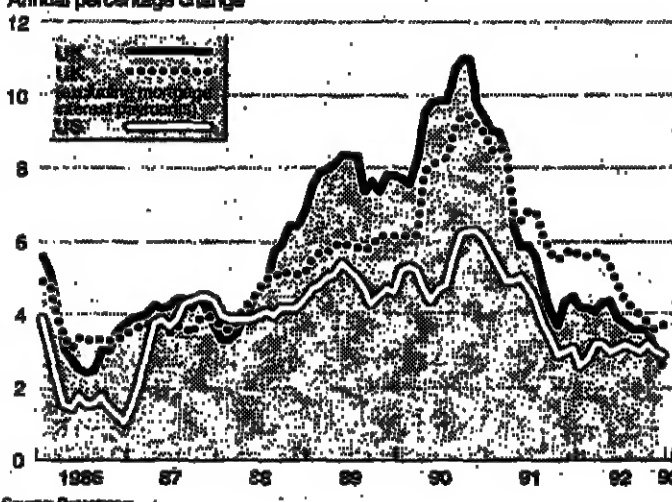
BIG CUTS in mortgage interest rates pushed down UK retail price inflation - the so-called headline rate - to 2.6 per cent last month, the lowest rate for 6 1/2 years.

But the Treasury's chosen measure of underlying inflation, which excludes mortgage interest payments, crept back up. Higher seasonal food and petrol prices were the main factors behind the rise in the annual rate of underlying inflation last month. Prices rose by 3.7 per cent in the year to December compared with 3.6 per cent in the year to November. This was the first rise in the annual rate since March last year. The latest increase leaves the underlying rate of inflation near the upper end of its target range. Last autumn Mr Norman Lamont, the chancellor, said the government aimed to keep this measure within a range of 1-4 per cent, and to bring it down to 2 per cent before the end of this parliament.

Mr Anthony Nelson, economic secretary to the Treasury, said yesterday he was confident the headline rate would fall further this month. He described the rise in underlying inflation as "very marginal" and said it was well within its parameters. The government was "absolutely determined" it remained so, he said. Mr Gordon Brown, shadow

Inflation rates

Annual percentage change



Source: Datastream

chancellor, said: "While headline inflation has fallen because of the recession, the underlying rate is rising and is heading towards the upper end of the government's target range." Most economists expect the headline rate of inflation to continue falling this year as further interest rate cuts affect the index, but they are less sure about the direction of the RPI excluding mortgage interest payments. Earlier this week figures for producer prices showed that sterling's devaluation has pushed up the prices of raw materials and fuels. Manufacturers' output

prices have also risen slightly, but so far they have resisted passing on the higher costs to retailers. Mr Robert Lind, economist at UBS Phillips & Drew, the investment house, believes the Treasury's underlying measure will rise above 4 per cent because of the effects of devaluation. Mr Simon Briscoe, UK economist at the investment house Greenwell Montagu, said: "Our measure of core inflation, which measures only the prices of goods and services that you buy in shops, fell again this month. We consider this to be indicative of what is really going on with inflation in the economy."

US data boost Clinton outlook

THE Clinton administration will inherit the best inflation outlook for a generation, according to figures released yesterday, writes Michael Prowse in Washington.

Data on production and exports, however, confirmed that the pace of recovery is likely to remain subdued. Consumer prices rose 0.1 per cent last month and by 2.9 per cent in the year to December. With the exception of a temporary dip in inflation below 2 per cent in 1986, this was the lowest annual rise since the mid-1960s. Bonus for Clinton, Page 3

Wall Street report, Page 19

Underlying rate up, Page 5
London stocks, Page 13

NatWest rules out general pay increase

By John Gapper and Robert
Taylor in London

NATIONAL Westminster Bank, one of the largest white collar employers in Britain, yesterday signalled a tough 1993 pay round by telling its 80,000 staff that it could not afford to offer an across-the-board pay rise. NatWest, which is among the most influential of pay trends in the UK labour market, said staff would only receive performance-related pay rises. These will vary between 3 and 6 per cent for most staff, with a minority getting no rise.

The NatWest offer is the first in the banking pay round and may be followed by other low offers from high street banks, which are trying to restrain costs. Barclays Bank, which could declare a loss for 1992 in March, meets unions next week. The pay offer, which was strongly criticised by unions, indicates that signs of recovery in the economy are unlikely to be reflected in higher pay rises in the spring pay round. NatWest's pay settlement date is in April. Further signs of pressures on pay emerged in a telephone survey conducted by the Financial Times yesterday, which found that more than 30,000 employees of recession-hit construction companies have had earnings frozen. Mr Mike Goodwin, NatWest's director of human resources, said the bank had decided not to

make an across-the-board pay increase because of internal cost pressures and because the state of the labour market did not require it.

Mr Goodwin said the move did not constitute a pay freeze, as some union leaders yesterday described it. "That is part of the old mentality," he said. He estimated that NatWest's pay bill would rise by at least 3 per cent. The bank said it would compensate for the lack of a general increase by raising performance-related pay increments by between 0.5 and 1.5 per cent. Increments for non-managers are split into three bands: satisfactory, good and outstanding. Staff who are judged satisfactory and are not at the top of pay bands will receive between 4.5 and 6 per cent, as opposed to between 4 and 6 per cent. Those graded outstanding may receive up to 7.5 per cent.

The NatWest Staff Association, which represents about half the bank's staff, said employees were not being rewarded for their contribution to expected increased profits in this financial year. Mr Dai Davies, NWSA assistant general secretary, said staff faced "continual pressures to achieve sales in the face of severe customer criticism" as well as the fear of compulsory redundancy and the erosion of fringe benefits.

Continued on Page 23
Builders to study banks, Page 5

Italian authorities arrest alleged Cosa Nostra boss

By Robert Graham in Rome

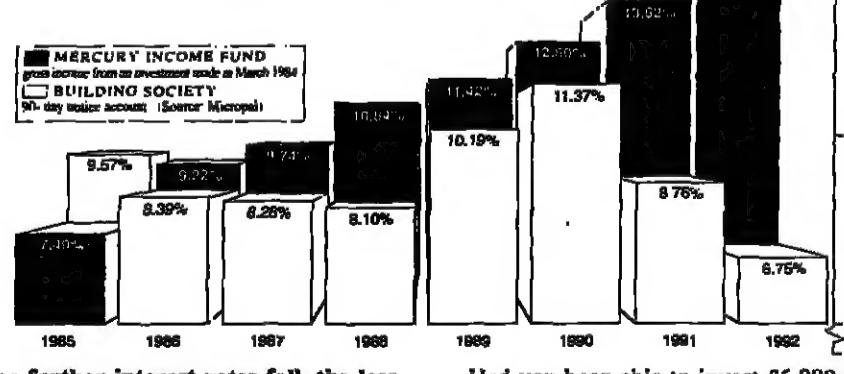
THE ITALIAN authorities yesterday achieved a breakthrough in the fight against organised crime with the capture of Mr Salvatore "Totò" Riina, acknowledged to be the boss of Cosa Nostra, the umbrella organisation of the Sicilian Mafia. Mr Riina, who has been on the run since 1989, is wanted in connection with some 80 killings. Police believe he was behind the assassination last year of the two leading anti-Mafia magistrates, Giovanni Falcone and Paolo Borsellino.

"This is an extraordinary blow to the Mafia and we hope this arrest will have significant repercussions," said Mr Nicola Mancino, the interior minister. "The Mafia has not been beaten but we have arrested a very dangerous mafioso," he added. Some 16 leading figures are still on the run. Mr Riina's arrest exemplifies the determination of the government of Mr Giuliano Amato to combat organised crime and break the long-standing protection given to the Mafia by elements of the Italian state and among the political parties. The arrest was made in Palermo when special units of the Carabinieri stopped a Citroën in which Mr Riina was driving with another person. Mr Riina presented false papers but offered no resistance. In the style of a true Mafia boss, he was unarmed. Earlier this week, Mr Mancino told journalists his main objective this year was the capture of Mr Riina. The fact that he was

doing something in earnest, it can be done, if only it had been done earlier." The son of a poor smallholder, Mr Riina has been involved in organised crime since his early teens and married into one of the traditional Mafia families of Corleone. On the run for more than 40 years, the only time he was caught he escaped from house arrest in 1989 near Bologna. Nicknamed "Totò the short", Mr Riina was first identified in 1984 as the new head of the cupola, the council representing 14 leading Sicilian clans, by Mr Tommaso Buscetta. Mr Buscetta was the first top member of Cosa Nostra to break with the code of omertà (silence) and agree to turn state's evidence after his clan had been defeated in a bloody power struggle, won by Mr Riina and his Corleone clan. Greater protection and incentives granted last year to repentant mafiosi - pentiti - have encouraged more Mafia members to give evidence against their bosses. This is believed to have played an important part in the government's recent successes in capturing leading Mafia figures. Among those talking-under special protection is Mr Riina's former

Continued on Page 22

The Mercury Income PEP for a high and growing tax-free income



The further interest rates fall, the less attractive returns from bank and building society accounts become.

However, the Mercury Income PEP offers a good income now which is both tax-free and likely to grow over time. And there's the prospect of your capital growing - also free of all tax.

A FREE RETURN TRIP TO PARIS
Amsterdam, Brussels or Jersey
Take out a full £6,000 Mercury PEP and we'll give you 600 AIR MILES... enough for a free return trip to Paris... or any of these destinations from almost anywhere in Britain. Or use them to build up your entitlement to long distance travel.

Had you been able to invest £6,000 in Mercury Income Fund at its launch in March 1984 via a PEP, this would now be worth £15,492.* Moreover, in 1992 you'd have received income of 14.3% on the value of your original investment.

The Mercury Income PEP currently pays an income of 5.28% per annum tax-free.
1% DISCOUNT OFFER
Lump sum investors in the 1992/93 Mercury Income PEP will receive a 1% discount on the initial charge.
Act today - please call us free on 0800 44 55 22 or complete the coupon.

To: Mercury Asset Management plc
FREEPOST London EC4B 4DQ
Please send me details on The Mercury Income PEP.

Surname.....
Mr/Mrs/Miss/Ms Initials.....
Address.....
Postcode.....

Past performance is no guarantee of the future. The value of investments and the income from them can go down as well as up and you may not get back the amount you invest. Remember that the tax treatment of PEPs may be changed by future legislation.

MERCURY
BRITAIN'S LEADING INVESTMENT HOUSE
Member of IARD

* £13,84 - £1,193 (offer to bid basis, income not reinvested); 1.1.88 - 1.1.91: £7,293. (Source: Mercury) Gross income in 1992 from an investment made 1.1.88: 6.8% (Estimated gross yield at 1.1.93).

Data Protection Act 1984: We will not disclose your details outside Mercury and associated companies, but they may be added to a mailing list to enable you to receive details of our products. If you would prefer not to receive such details, please write to us.

NEWS: INTERNATIONAL

Tax breaks for investors among pre-privatisation measures approved by cabinet

Italy moves to promote share ownership

By Haig Simonian in Milan

ITALY'S cabinet yesterday approved wide-ranging measures to boost popular share ownership ahead of its ambitious privatisation programme.

The steps, originally expected last month, include tax breaks for investors in newly-quoted companies and the chance to swap holdings in government bonds for privatised shares.

The keenly-expected draft law, which has still to be approved by parliament, yesterday pushed share prices upwards. The Comit share index closed up 10.44 at 478.62, after a strong week in which shares have climbed on the back of strong foreign and domestic buying.

Among the most important measures was a 27 per cent tax break to investors on purchases of up to L.75m

(£3,560) a year in shares of newly floated companies - provided the stock is held for at least three years. The measure amounts to a L.2m annual tax reduction to investors buying their full entitlement of shares.

Ministers also opened the door for investors to exchange government bonds for shares in newly-privatised companies controlled by the treasury. The bonds, which analysts expect to

be immediately retired, would directly reduce the outstanding stock of state debt. The bonds would have to have a minimum five years' maturity.

Other steps approved include independent funding for Consob, Italy's companies and stock market watchdog, which would now "charge" for its services through some form of levy on share trading. The cabinet also gave the go-ahead to the concept of

the "golden share" to guarantee a state role in some newly-privatised concerns.

Investors would also be able to choose how their dividends are taxed. The current highly complex system includes a flat-rate 10 per cent withholding tax and the inclusion of dividend receipts in annual income tax returns. Investors would be able to opt for a 30 per cent tax at source.

Paolo Berlusconi faces trial over political funds

By Haig Simonian

MR Paolo Berlusconi, younger brother of Mr Silvio Berlusconi, the Italian media magnate, is to be put on trial on charges of illegal political contributions, according to magistrates in Milan yesterday.

The announcement coincided with the arrest of Mr Umberto Di Capua, the head of the multinational ABB engineering group in Italy.

Mr Paolo Berlusconi is one of 35 businessmen and politicians whom magistrates intend to put on trial in Milan's largest political corruption scandal. He has been accused with Mr Sergio Roncucci, a senior executive of the Berlusconi family's Fininvest holding company, of paying local Christian Democratic party officials L.150m (£71,300) in relation to a contract for a big refuse site.

The arrest of Mr Di Capua is

believed to be linked to allegations of illegal payments to local politicians for contracts for the Milan metro's new third underground line. Last June, Mr Ivo Braglia, the head of ABB's transport division, appeared before magistrates for questioning. ABB supplied substations and radio-telecommunications equipment for the multi-billion lire line.

The arrest of Mr Di Capua caused some surprise, as he

only joined ABB in September 1991. By that time, the new line, which took over eight years to build, was already partly operational. The allegations against Mr Paolo Berlusconi are likely to prove highly embarrassing to the Berlusconi family. Although the two Berlusconi brothers divided their business activities last year, with Mr Paolo Berlusconi taking over Fininvest's property busi-

nesses, the family's early rise to fortune was built largely on property development. He said the money involved was a personal political contribution, and therefore not subject to the rules on political donations by companies. The arrests and investigations are the biggest move by magistrates against prominent businessmen since last year's arrest of Mr Salvatore Ligresti, the property magnate, who

spent almost three months under investigation in jail. Confirmation that inquiries have entered a new phase came with last month's announcement that Mr Bettino Craxi, the Socialist party leader, was also under investigation. This week, magistrates sent formal documentation to the Rome parliament for permission to proceed against Mr Craxi, who has denied all the charges against him.

Swedish central bank sets target for inflation

By Christopher Brown-Humes in Stockholm and James Blitt in London

SWEDEN'S central bank, the Riksbank, said yesterday price stability was its "over-riding objective" as it set an inflation target of 2 per cent a year for the economy from 1995.

This was the first specific policy statement from the bank since Sweden was compelled to float the krona last November. It came a day after the bank intervened in the markets to support the currency for the first time since then.

For 1992 and 1993, the bank is aiming to hold underlying inflation to 2 per cent, although actual inflation will rise to some 5 per cent this year, following the depreciation of the krona and an increase in indirect taxes. "Price increases in excess of 5 per cent cannot be tolerated," said the central bank.

It did not signal any reduction in its key marginal rate, which stands at 10.5 per cent, nor did it suggest any specific exchange rate targets.

The bank has set the infla-

tion target to cover the time that the krona continues to float, but wants a return to a fixed exchange rate when conditions allow.

Yesterday's policy statement had little impact on the krona, which has fallen victim to a new round of currency speculation since the New Year.

The Swedish currency was yesterday trading at around SKr4.35 to the D-Mark in London, little changed from the SKr4.44 level seen on Thursday.

Although the currency has been devalued by some 15 per cent against the D-Mark since its link to the Ecu was broken on November 19, there is speculation the krona may have further to fall.

Mr Keith Edmonds, international economist at NatWest Markets in London, said that the announcement of an official deficit forecast for the 1993/1994 fiscal year of SKr160bn, or 11 per cent of GDP, had raised concerns. "There is a possibility of another edge downwards after the sharp rise in government borrowing," he said.

Slow growth curbs price rises in Spain

By Tom Burns in Madrid

SPAIN'S inflation rate fell marginally in 1992 to 5.4 per cent, from 5.5 per cent in 1991.

This was a considerable improvement on government forecasts early last year of 6.4 per cent rise in the consumer price index by December.

Underlying inflation, which excludes the volatile energy and non-processed food prices, rose by just 0.3 percentage points last month, the lowest monthly rise of 1992, to give a rate for the year of 6.9 per cent.

The figures, published yesterday by the government's statistics institute, reflected the depressed state of the domestic economy. Independent economists estimate zero growth in the last quarter of last year and growth of about 1 per cent overall in 1992.

Mr Jose Luis Felto, chief analyst of the Madrid securities firm of Asesores Bursátiles, said the downward trend in prices would continue in coming months. There was unlikely to be any meaningful easing of interest rates soon.

Lower inflation appears likely following a recommendation by the employers' federation to hold salary increases this year below 3 per cent. The government has already taken the lead on wage moderation by fixing the increase of the minimum wage at just 4 per cent, the lowest annual increase for a decade, and in effect freezing wage increases in the public sector.

The government's employment agency meanwhile reported that the number of registered job seekers rose last month to 2,36m, up by 31,000 on December 1991.

Serbs face peace plan deadline

By Robert Mauthner, Diplomatic Editor

THE self-styled parliament of the Bosnian Serbs is to meet on January 19 to decide the fate of the constitutional proposals for Bosnia-Herzegovina agreed at the Geneva peace conference this week, official Serb sources said yesterday.

A Serb official in Pale, the rebels' main base in Bosnia, said the meeting would take place there on Tuesday but the venue might still be subject to change.

The European Community has given the Serbs until Tuesday to accept the constitutional principles or face UN punitive action.

Meanwhile, Mr Cyrus Vance has "no plans" to step down from his job as co-chairman of the Geneva peace conference on the former Yugoslavia, Mr Fred Eckhard, his spokesman, said yesterday.

Mr Eckhard, commenting on a British report that Mr Vance was intending to leave, said: "We're working pretty much at fever pitch right now; there is no question of his leaving the conference now."

However, Mr Eckhard made clear that, at some unspecified time in the future, Mr Vance, who is a senior partner in a New York law firm, would like to divide his time more between New York and Geneva in order to continue co-chairing the conference.

Serbian journalists dismissed in 'purge'

OVER 1,500 journalists and staff have been sacked from Serbian radio and TV in what the independent Serbian TV union condemned as a political purge following the victory of extremist nationalist forces in last month's Serbian elections, writes Anthony Robinson.

"We are angered that the victorious party, personified in Milorad Vucelic, the head of Serbian radio and TV, has declared open warfare against its political opponents in the media before it has even resumed power," the union said. "The expulsions will be just a prelude

to a country-wide persecution unless the people behind the purge are stopped," added a statement by the opposition Serbian Renaissance Movement. "Lists of desirable and undesirable citizens have been compiled in all enterprises and institutions."

Polish industries perform strongly

By Christopher Bobinski in Warsaw

POLAND'S state-owned industries have reacted much better than expected to the tough market-oriented policies introduced three years ago. Their performance strengthens hopes for resuming solidly-based economic growth, a World Bank study concludes.

The study, which examines the experiences of 75 of the country's 8,000 state-owned companies, says "success stories are emerging and the state sector is far from a write-off". The paper adds that "good and bad performers are emerging in all sectors", indicating Poland's potential to build up a "diversified manufacturing base".

The study comes against the background of a 3.5 per cent rise in industrial sales in 1992 and a slowdown in the rate of increase in unemployment, announced yesterday by the government statistical office. Inflation also declined last year to 43 per cent, from 60.4 per cent in 1991. The rise in industrial sales reverses three years of steep decline.

Evidence that state-owned as well as private enterprises are contributing to the turnaround indicates that "recovery has a solid micro-economic foundation and will therefore be sustained", the World Bank team headed by Mr Brian Pinto said. It recommends that privatisation decisions should be decentralised and management buyouts should be favoured.

Bonn agreement on asylum but not on army

By Quentin Peel in Bonn

THE German government yesterday failed to forge a necessary two-thirds parliamentary majority in favour of changing the country's constitution to allow German soldiers to take part in UN peace-keeping and peace-making operations.

In an often stormy debate, the opposition Social Democrats made it clear that they were not prepared to accept any use of the German Bundeswehr (armed forces) beyond exclusively UN peace-keeping operations.

However, on a separate issue, the SPD agreed to a new formula to change the constitution on the disputed question of limiting the existing liberal law on political asylum, clearing the way for a deal next week.

On the question of military operations, the Social Democrats accused the ruling coalition of seeking to turn the Bundeswehr into "an army of intervention", and of being tempted to indulge in "gunboat diplomacy".

In spite of a strong and direct appeal by Mr Boutros Boutros Ghali, the UN secretary-general, for Germany to play its full role in future UN operations, the opposition said the government was looking for a "blank cheque" to deploy its armed forces anywhere in the world.

The charges were strongly rejected by government speakers. Mr Volker Rühe, the minister of defence, said: "Germany must take on the same responsibility as its neighbours in a new and altered international system."

Mr Klaus Kinkel, the foreign minister, said that a re-united and sovereign Germany "must face up to its responsibility in a changed world, without limitations."

"We want and must in our own interests, and in the interest of the community of nations, recreate the full capacity for action of the German federal republic as a member of the United Nations."

As for the proposal to allow operations in the context of other alliances, such as Nato and the Western European Union, it required that any such involvement of the Bundeswehr be approved by a two-thirds majority in parliament. "Could there be any greater brake on such an action?" he asked.

The opposition was unmoved. Mr Karsten Voigt, the foreign policy spokesman for the SPD, said the proposal "does not bring us one millimetre closer to a parliamentary republic". In addition, Mr Walter Kolbow, the defence spokesman, said that the amendment tabled by the government "is moving us in totally the wrong direction".

Nato troops come under German law

By Quentin Peel

GERMANY and its North Atlantic Treaty allies which have troops stationed in the country yesterday finalised a deal to bring them more directly under German law.

The agreement deal is intended as an important symbolic gesture by the Nato allies to remove any remaining suggestion that the troops are "occupation forces" in a defeated Germany. Although foreign troops have been broadly subject to German law in recent years, this deal tightens loopholes preventing them from operating above the law of the land.

It has been negotiated over the past 18 months, at Germany's request, after Britain, France, the US and the former Soviet Union gave the go-ahead for German unification in the so-called "two-plus-four" agreement.

Some exemptions to German law are still provided for in the agreement, but the basic principle is that it will generally apply to troops stationed in the country, according to officials involved in the talks.

Sensitive areas in the negotiations included protection of the environment, and the application of strict German labour laws to civilian employees of the allied forces.

The German Länder, in particular, have been keen to tighten the rules controlling military exercises in environmentally sensitive areas.

In a separate deal finalised yesterday, Britain, Canada and Germany agreed to terminate the treaty which allows training exercises on the Lüneburg heath near Hanover.

Environmentalists have been campaigning to stop destructive tank training exercises there, and they will now cease from July 31 1994, officials said.

Boeing wins big order for all-cargo 767s

By Paul Betts, Aerospace Correspondent

BOEING yesterday launched a programme to build an all-cargo version of its 767 twin engine wide-body aircraft after winning a \$65m (£32.20m) order for 60 all-cargo 767s from United Parcel Service (UPS).

The Atlanta-based package delivery company has placed firm orders for 30 new 767 cargo aircraft and taken options on a further 30.

Boeing said it was the largest order for all-cargo aircraft it had ever received. It also comes at a time when Boeing, like other manufacturers, is coming under pressure from

financially pressed airline customers to defer or cancel new orders.

Detailed design engineering on the new cargo aircraft, based on the Boeing 767-300 extended range airframe, will begin immediately, with production starting in the second quarter of next year, Boeing said.

The first 767 freighter will roll out of production and enter flight testing in the second quarter of 1995 with delivery to UPS in October 1995.

Boeing said two Japanese suppliers, Kawasaki Heavy Industries and Mitsubishi Heavy Industries, will provide large portions of the fuselage.

The new cargo aircraft will be capable of carrying 66 tons of cargo, a range of 3,000 nautical miles or 45 tons as far as 4,000 nautical miles.

UPS has not selected the engines for the aircraft.

Russia promises Ukraine: no nuclear attack

By John Lloyd in Moscow

THE leaders of Russia and Ukraine last night announced tentative agreements on two of the most pressing issues dividing the two Slav states - though large differences remain, particularly on repayment of the foreign debt.

Mr Boris Yeltsin, the Russian leader, said last night that Russia was prepared to give neighbouring Ukraine a guarantee against nuclear attack, in return for ratification by the Ukrainian parliament of the Start 1 treaty and return of its strategic nuclear missiles to Russia.

Mr Leonid Kravchuk, the Ukrainian president, said that the guarantee would help him persuade the country's parliament to ratify Start 1 - necessary if the treaty, signed between the US and the Soviet Union in July 1991, is to be implemented and Start 2, signed by Russia and the US early this month, is to proceed. Mr Yeltsin also said that Russia would provide up to 5m

more tonnes of oil above the 15m tonne limit it set for supplies to Ukraine this year in earlier talks. Ukraine, now desperately short of oil supplies for its refineries, had requested 45m tonnes - but Mr Yeltsin said that because of an expected drop in Russian oil production to under 400m tonnes in 1993, "unfortunately we cannot satisfy Ukraine's needs."

At the same time, confusion surrounds both the level of supplies and the method of payment for them. Mr Andrei Nekuchayev, the economics minister, was quoted by the news agency Interfax after talks with Mr Leonid Kuchma, the Ukrainian premier, on Thursday, as saying that only 12m tonnes of oil would go to Ukraine this year, and that it would be paid for by supplies of food and industrial goods, with both the Russian oil and Ukrainian products denominated in hard currency.

Russia had announced its intention to move to world prices for its oil sold to the other 14 former Soviet states -



Boris Yeltsin (left) and Leonid Kravchuk: hope for Start 1 and Start 2 treaties

but has only implemented the intention in the case of the three Baltic republics. Mr Vladimir Shumeiko, the first deputy premier, said yesterday that because of the close links

between Russian and other states' industries and economies, "a standard approach of charging world prices should not be expected."

The nuclear guarantee, how-

ever, is a move for which Ukraine has lobbied in the past few months, and may stimulate similar guarantees from the other main nuclear powers, the US, Britain and France. Mr

Borys Tarasuk, the Ukrainian deputy foreign minister, has raised the issue of all-round nuclear guarantees in the event of Ukraine giving up the 176 missiles on its territory,

and received encouragement from the western allies.

Start 1 has still to be ratified by Ukraine and by Belarus, but has been ratified by Kazakhstan, the fourth of the former Soviet states to possess nuclear weapons after the break-up of the USSR.

Talks will continue over the weekend on the repayment of the former Soviet debt of \$80bn (£52.5bn). Ukraine has insisted on separate repayment of its 16.34 per cent of the debt in return for a share of the overseas assets, a deal the overseas creditors in the London and Paris Clubs have so far rejected.

Mr Jean-Claude Trichet, chairman of the Paris Club, and Mr Christian Vontz, a Deutsche Bank director who chairs the London Club's Paris group, arrived in Moscow yesterday to conduct talks on the debt with Russian and Ukrainian ministers. An agreement between them is essential for rescheduling the debt and for the release of more loans to the former Soviet states.

The Financial Times (Europe) Ltd
Published by The Financial Times
(Europe) GmbH, Frankfurt Branch,
Niedelungplatz 3, 6000 Frankfurt-am-
Main 1. Telephone 49 69 156530; Fax
49 69 596481; Telex 416193. Repre-
sented by DVM GmbH-Herbert International,
6078 Neu-Isenburg 4. Responsible
editor: Richard Lambert. Financial
Times, Number One Southwark Bridge,
London SE1 9HL. The Financial Times
Ltd, 1993.

Registered office: Number One, South-
wark Bridge, London SE1 9HL. Com-
pany incorporated under the laws of
England and Wales. Chairman: D.E.P.
Folmer. Main shareholders: The Finan-
cial Times Limited, The Financial News
Limited. Publishing director: J. Rolley.
168 Rue de Rivoli, 75004 Paris Cedex
01. Tel: (01) 4297 0621; Fax: (01) 4297
0629. Editor: Richard Lambert. Printer:
SA Nord Editeur, 1521 Rue de Caen,
39100 Roubaix Cedex 1. ISSN: ISSN
1148-2753. Commission Paritaire No
6780SD.

Financial Times (Scandinavia) Vime-
staftet 42A, DK-1161 Copenhagen K,
Denmark. Telephone (33) 13 44 41. Fax
(33) 93533.

US inflation rate bonus for Clinton

By Michael Proulx in Washington

THE Clinton administration will inherit the best inflation outlook for a generation, according to figures released yesterday.

Data on production and exports, however, confirm that the pace of recovery from recession is likely to remain subdued by the standards of previous upturns.

The Labour Department said consumer prices rose 0.1 per cent last month and by 2.9 per cent in the year to December. With the exception of a temporary dip in inflation below 2 per cent in 1986, reflecting the halving of oil prices that year, this was the lowest annual increase since the mid-1960s.

The fall in inflation from an underlying rate of about 5 per cent in the late 1980s reflects a long period of economic stagnation and the conservative monetary policies of the Federal Reserve, the US central bank, which lowered interest rates only gradually during the recession.

Some analysts, however, fear that if the recovery gains momentum, inflationary pressures will re-emerge later this year or in 1994.

The outlook for production remains modestly encouraging. The Fed yesterday reported a 0.3 per cent rise in industrial output last month, taking the annual increase to 2.9 per cent.

This followed a 0.4 per cent rise in November and a revised increase of 0.7 per cent in October.

The improvement was uneven, with much of last month's gain reflecting a 5 per cent surge in the output of motor vehicles and parts. Production of information processing and industrial equipment was also strong.

However, excluding cars, overall output of consumer goods was flat last month. The rate of capacity utilisation in industry inched higher to 79.3 per cent against 79.2 per cent in November.

Separately the Commerce Department reported an increase in the merchandise trade deficit to \$7.6bn in November against \$7.2bn in October. This reflected a 3.8 per cent decline in exports which was only partially offset by a smaller percentage decline in imports.

The trade deficit deteriorated sharply in the second half of last year as the US domestic recovery coincided with a downturn in many overseas markets, including Europe and Japan.

The deficit for the first 11 months of last year was \$75.5bn against \$59.3bn in the same period of 1991. Most analysts are projecting a further deterioration this year as higher demand in an expanding US economy sucks in more imports.

Senators give new cabinet easy ride

By George Graham in Washington

IF President-elect Bill Clinton is having trouble filling the jobs in his administration, the blame cannot be laid at the door of the Senate, which has so far offered a smooth ride to his cabinet nominees in their confirmation hearings.

A few have faced mild interrogation on past peccadilloes - Ms Zoe Baird, designated to be Attorney General, has become a symbol of a generation of suppliers for hiring an illegal alien as a nanny - but on policy issues, the Republicans have so far not lived up to their threats of stiff scrutiny.

Beside Mr Warren Christopher, who as Secretary of State-designate underwent two days of intellectual duelling with Senator Jesse Helms, the senior Republican on the foreign relations committee, only Ms Donna Shalala has encountered anything resembling tough questioning - and that has come mostly from the Democrats.

In hearings this week Ms Shalala, who has been chosen to head the Department of Health and Human Services, was criticised for focusing her statement almost entirely on health care reform, largely ignoring welfare reform, which has been a central concern for some Democrats.

Senator Daniel Patrick Moynihan, chairman of the Senate finance committee, said he was distressed by "the clutter of campaign promises being tossed out the window," and Senator Jay Rockefeller, another Democrat who has taken the lead on health and social issues, said he heard rumours that, for strategic and political reasons, "welfare reform is going to be put on a back burner."

But the Senate can certainly not be accused of holding Mr Clinton up in the task of building his administration. Many committees have already voted for confirmation of the cabinet members who have come before them, even though Mr Clinton cannot actually nominate them until he is inaugurated next Wednesday. Most cabinet secretaries are expected to be formally confirmed on Wednesday or Thursday.

Fighting rages in Angola

ANGOLAN government forces pounded the UNITA rebel headquarters at Huambo yesterday again yesterday as prospects for early peace talks to halt renewed civil war grew slimmer. Reuters reports from Luanda.

Diplomats said last-minute conditions presented by UNITA threw into question a meeting between the rival military chiefs in Addis Ababa initially planned for the weekend or early next week.

Ms Margaret Anstee, UN special representative, was working to ensure government chief of staff General Joao de Matos and UNITA General Domestiano Chillinguita met, they said.

Government troops yesterday pressed on with their week-long assault on Huambo, Angola's second city and UNITA's headquarters in the central highlands, with intense shelling by artillery and tanks.

The battle for Huambo is the centrepiece of the struggle for power between the two sides, whose 16-year civil war was supposed to have ended with a peace accord signed in May 1991.

The Addis Ababa contact would have been the first high-level meeting since the new state of warfare.



Indian prime minister Mr. Narasimha Rao (right) visits a Bombay hospital yesterday to meet victims of community violence

Rao pledges financial help to victims of violence in Bombay

By Stefan Wagstyl in New Delhi and R C Murthy in Bombay

MR P V NARASIMHA RAO, the Indian prime minister, yesterday made a flying visit to strife-torn Bombay and pledged financial help for the victims of the city's violence.

The mission was a belated attempt to answer criticisms that the central government has done little to quell the violence, which, according to hospital estimates, has claimed 600 lives in Bombay alone and caused widespread damage.

Over 50,000 have fled the city. Police and troops have restored order to most districts, but there were reports of further violence, including at least two deaths, yesterday as the premier toured the city under heavy guard.

Businessmen were counting the cost following the second spate of violence since Hindu militants tore down a mosque in the northern town of Ayodhya six weeks ago. The demolition unleashed a nationwide wave of inter-religious violence.

Many businesses were still shut yesterday for the 10th day in succession, while others closed early to allow workers to reach home before dark.

The Indian Merchants Chamber, a trade group, estimated lost production in Bombay this month at Rs13.5bn (£5.9bn). Mr KRV Subramaniam, a former president of Bombay Chamber of Commerce, said it would take six months for output to return to normal. The whole economy will suffer since Bombay is the commercial capital and accounts for 35 per cent of the nation's exports.

Victims of the violence - singled out for attack by Shiv Sena, a Bombay-based right wing Hindu political party with close links to the Bharatiya Janata Party, the main national opposition party.

Shiv Sena has openly boasted of "teaching Muslims a lesson." The violence has been aggravated by criminals taking advantage of the turmoil for looting, extortion and grabbing land by driving Muslims out of their homes. Muslims also claim the police have often stood aside giving Hindu mobs free reign.

Commission warns Japan over trade imbalance

By Andrew Hill in Brussels

THE European Commission yesterday warned Japanese ministers that political co-operation between the EC and Japan would be undermined by a failure to improve the two partners' bilateral trade imbalance.

The Japanese responded by suggesting Community businesses should try harder to penetrate the Japanese market.

Mr Hans van den Broek, the new commissioner for external relations, and Sir Leon Brittan, who has taken over the trade portfolio, led a team of commissioners meeting five senior Japanese ministers in Brussels.

The meeting was the culmination of two days of talks on political and economic relations, at which Mr Michio Watanabe, the Japanese foreign minister, and his colleagues promised to implement measures aimed at encouraging EC exports and investment in Japan.

Japan has been eager to develop its political relations with the EC since signing a joint co-operation declaration in 1991. But tension between the two blocs has been exacerbated by Japan's growing surplus on trade with the Community, which rose more than 17 per cent in the first 11 months of 1992 to \$29.2bn (£19.2bn).

The Commission claimed yesterday that Japan and the EC had taken the first step towards systematic analysis of the trade surplus, by arranging a meeting of experts to discuss the figures before April. Brussels believes regular monitoring of the statistics will enable both sides to spot areas where EC exports appear to be hampered. But Mr Seiji Morimoto, spokesman for Mr Watanabe, said that although there was general agreement on the principle of such monitoring, the details had to be worked out. He said Japan believed regular analysis would demonstrate that the trade surplus was often distorted by currency fluctuations and price changes.

The two sides also touched on the sensitive issue of Japanese car exports to the EC. Publicly, both the Commission and the Japanese claimed to be happy with the memorandum of understanding signed in 1981, under which Japan "monitors" its exports to the Community. But a row is already brewing about the likely increase in Japanese exports during 1993, when the EC car market is expected to shrink.

Inflation at 23 year low in Israel

By Judy Maltz in Jerusalem

ISRAELI achieved single-digit inflation for the first time in 23 years in 1992, the Central Bureau of Statistics reported yesterday.

The Consumer Price Index rose 9.4 per cent last year, down from 18 per cent in 1991. The key factors behind the sharp drop were a significant slowdown in housing price increases, due to sluggish demand in the market, and relatively low wage increases in most sectors owing to high unemployment.

Since 1963, when the government implemented an emergency economic stabilisation programme to combat hyperinflation, the annual increase in the CPI had stabilised at around 18 per cent.

The inflation figure was welcomed by treasury and central bank officials, who said it had not interfered with the country's other main economic target of higher growth. Israel's GNP rose by over 6 per cent in 1992, according to preliminary forecasts.

Mr Dov Lautman, President of the Israel Manufacturers' Association, hinted that the government should take advantage of low inflation to allow a further devaluation of the shekel, to improve export profitability. "It's now possible to exploit this situation of single-digit inflation, combined with high unemployment, to initiate a more energetic policy of growth without fearing a resurgence of inflation."

Housing prices rose only 5.4 per cent last year. The reason for the sharp drop was the slowdown in the number of immigrants arriving in the country from the former Soviet Union.

Social Democrats head for power in Denmark

By Hilary Barnes in Copenhagen

THE political crisis caused by Prime Minister Poul Schlüter's resignation seems likely to lead to the formation of a minority Social Democratic Party government. Yesterday Mr Poul Nyrup Rasmussen, the SDP leader, was asked by Queen Margrethe to lead negotiations between the Folketing's eight parties on forming a new government.

Mr Rasmussen was recommended by the SDP, the left-wing Socialist People's Party and the centrist Radical Liberal Party, who have a narrow majority in the Folketing.

The financial markets reacted positively to the prospect of a change of regime after 10 years of non-socialist governments led by Mr Schlüter. The Krone strengthened and bond prices firmed.

Miss Anne Jensen, chief economist at Unibank, said the reaction reflected market expectations that an SDP government would be better able to mobilise a majority for a Yes vote on the Maastricht treaty in the second referendum which Denmark will hold later this year, probably in May.

Mr Schlüter, who was severely criticised for misleading the Folketing over the Tamil visa scandal by a judicial inquiry on Thursday, formally handed his resignation to Queen Margrethe yesterday.

He remains in office until a new government is formed. Mr Rasmussen will be asked by the Queen to form a government when he can show he has sufficient support in parliament.

If the inter-party negotiations reach an impasse, an election would have to be held. The 49-year-old SDP leader, who was once chief economist to the Confederation of Danish Trade Unions, faces tough negotiations, which may take several days.

The Radical Liberals, whose seven members of the Folketing hold the swing position between the socialist and non-socialist parties, have said they will support an SDP government provided it promises to carry out labour market and tax reforms.

Since 1982 the Radicals have supported Mr Schlüter, but for several months have flirted with the idea of a change of government.

The Radicals want changes to the country's exceptionally generous unemployment benefits and other reforms to make the labour market more flexible in order to help bring down the 11 per cent unemployment rate.

They also want lower marginal income taxes. Neither the labour market reforms, strongly opposed in by trade unions, nor the tax reform proposals are liked by the SDP.

Mr Ivar Nørgaard, chairman of the Folketing's influential European Market Affairs Committee, yesterday dismissed as exaggerated the concern expressed abroad that the Danish presidency of the European Council would be seriously affected by the political crisis.

Denmark's European policies are thrashed out in detail in the all-party market affairs committee. For this reason "it does not signify very much which party is actually the government party," he said, although new ministers would naturally need time to master the details of their brief. A change of government, he added, would not mean any changes in the senior civil service personnel who handle European questions.

NEWS IN BRIEF

Brazilian inflation rate hits 1,149%

BRAZILIAN inflation reached 1,149 per cent last year, according to official figures released yesterday by the Federal Statistics Institute, writes Christina Lamb in Rio de Janeiro. By far the highest rate in Latin America, this is well up on the 475 per cent of the previous year, though lower than 1989 and 1990 when it reached 1,894 and 1,686 per cent respectively.

Economists see little reason to hope for a decline soon. The official consumer price index has been rising by more than 30 per cent a month for the last 14 months and Mr Carlos Antonio Luque, president of the Order of Economists of Sao Paulo, predicts inflation of 27 per cent for this month - up on 25.1 per cent for December.

Swiss join telecom partnership

Swiss PTT Telecom is to become a full equity partner in a recently-established joint venture between PTT Telecom of the Netherlands and Televerket of Sweden which provides data transmission services to European-based multinational companies, writes Ronald van de Krol in Amsterdam.

The Swiss will own a third of Unisource, the joint venture company, as will PTT Telecom and Televerket, which launched the company as a 50/50 partnership in June.

By joining forces in Unisource, the three national telecommunications companies aim to compete as equals with Eutecnet, a joint venture between Germany's Deutsche Bundespost Telecom and France Telecom, as well as with British Telecom's Syncom operation. In June, Unisource signed up Sprint, the US telecommunications carrier, to provide global links outside Europe for its customers. Unisource is also looking for a carrier partner in south-east Asia.

Tobacco advertising ban upheld

The Quebec Court of Appeal, in a test case, has upheld a federal government ban on tobacco advertising, ruling that it does not violate freedom of expression under the constitution, writes Robert Gibbons in Montreal.

A lower court had found the ban unconstitutional and the federal government had appealed. The tobacco industry, which has complied with the federal ban since 1989, said it would almost certainly take the case to the Supreme Court of Canada. The three major tobacco producers seeking a final ruling on the ban are led by Imasco, the Canadian arm of BAT Industries.

Somalia warlords sign pact

Somalia's feuding factions signed a pact yesterday to disarm their unruly militias and end the fighting which led to the deaths by starvation of more than 300,000 people, Reuters reports from Addis Ababa.

The country's rival warlords, Ali Mahdi Mohamed and Mohamed Farah Aideed, signed the agreement with their allies after more than a week of talks.

But few Western diplomats, UN officials or Somalis believe that Somali militias or freelance gunmen will easily surrender the weapons which give them power.

Aideed brought the talks to the brink of collapse several times by refusing to attend a national reconciliation conference in March on an equal footing with his rivals. He wants a special status to reflect the major role his militia played in ousting Siad Barre in January 1991, the event that turned an impoverished nation into a patchwork of clan fiefdoms as the warlords battled to succeed him.

Eleven rival factions, aligned with Ali Mahdi, agreed this week to sign the ceasefire and pledge to disarm their militias. But adoption of the pact was held up by haggling over who should attend the March talks.

The issue was passed to a committee to make recommendations to the UN organisers of the March talks, which are supposed to set up a transitional government, the first national authority Somalia will have had since Siad Barre's overthrow.

Powerful earthquake rocks Japan

A powerful earthquake measuring 7.5 on the Richter scale rocked northern Japan yesterday, injuring at least 96 people but apparently causing only minor damage, authorities said, Reuters reports from Tokyo. The tremor, the strongest to hit Japan for almost 11 years, was felt across the country from the Pacific coast to the Sea of Japan, the national meteorological agency said.

GE wins \$40m Indonesian order

General Electric of the US has won a \$40m order to supply two gas turbine-generators and a steam turbine-generator for Indonesia's first privately-owned, developed and operated power station, writes Andrew Baxter. The client is Singapore-based IPO Con-writes Andrew Baxter. The deal is Singapore-based IPO Con-structors, which will install the equipment and build the plant. Indonesia-based Cikarang Listrik is the owner and developer of the project, which will produce more than 100MW of power for an industrial complex near Jakarta.

Holland acts to promote use of electric vehicles

Companies get tax breaks for adopting electric-powered cars

By Ronald van de Krol in Amsterdam and Kevin Done in London

THE Dutch government is to give companies tax incentives to encourage them to buy electric vehicles.

Dutch businesses which invest in electric-powered company cars are to be allowed accelerated depreciation of the vehicles under a new scheme designed to promote the use of electric cars.

The pressures on the car industry to accelerate the development of electric vehicles are intensifying. Toyota and Nissan, the two leading Japanese car makers, are joining forces to develop an electric car, according to Japanese newspaper reports yesterday.

The newspaper Mainichi Shimbun said that Toyota and Nissan had begun talks on the development of common electric vehicle components. Japan's ministry of international trade and industry has set a target of having about 200,000 domestic electric cars in use by the year 2000.

Last month the big three US car makers, General Motors, Ford and Chrysler, announced that they planned to co-operate more closely in the development of electric vehicles.

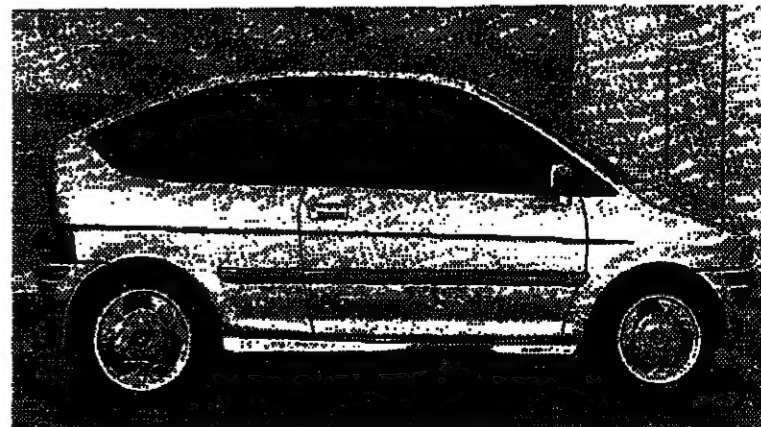
The three companies have signed an agreement to investigate co-operation in the design, development, testing and possible manufacturing of electric vehicle components which would ultimately be used in each company's own vehicles.

Two years ago the US car makers also formed a consortium to carry out research and development on advanced batteries that would be capable of providing electric vehicles with significantly increased range and performance.

The state of California has been at the forefront of seeking to encourage the use of electric vehicles through regulation - by 1998, 2 per cent of cars sold in California are to be so-called zero emissions vehicles.

Yesterday's move by the Dutch government is one of the first initiatives in Europe to encourage the purchase of electric vehicles through the use of tax incentives.

The Dutch environment ministry said that electric cars have been placed on a list of 400 environmentally-friendly products that provide tax



BMW's prototype of the electric car, the E1, was shown in 1991

breaks to companies which purchase them. Thanks to the move, companies will be able to set off against tax the full price of an electric-powered

vehicle in the first year of purchase. Petrol-powered company cars, by contrast, are normally written off over five years in the Netherlands.

NEWS: UK

Press body lay members angered by Calcutt

By Raymond Snoddy

LAY MEMBERS of the Press Complaints Commission yesterday expressed outrage that their independence had apparently been called into question by Sir David Calcutt's review of self-regulation of the press.

The Calcutt report described the commission as "the creature of the newspaper industry", and said that it could not fairly hold the balance

between the individual and the press.

Lady Elizabeth Cavendish, former chairman of the Inner London Juvenile Courts and a founding member of the commission, said yesterday: "I think it is highly offensive to suggest we are a creature of the newspaper industry. This is the most independent body in the country."

Lady Cavendish said she could not remember a single

occasion when commission members had been split along newspaper industry lay member lines.

Lord Colnbrook, formerly Mr Humphrey Atkins, a former Conservative minister, said: "All the lay members of the PCC are totally independent. I'm retired now and I don't give a damn about what the press think of me."

He said he believed that Sir David's assessment that the

commission and self-regulation had not worked had been "strongly coloured by the fact the government didn't carry out all the things he recommended".

Lord Colnbrook said Sir David had not been to see the commission at work. Lay members say Sir David had lunch with them, but did not ask questions about how they approached their task and declined an invitation to stay

to watch an adjudication session.

The lay members are outnumbered by those with newspaper connections on the commission. They include Dame Mary Donaldson, a former Lord Mayor of London, Professor Lesley Rees, dean of Saint Bartholomew's Hospital Medical College in London, and Professor Robert Pinker, professor of social work studies at the London School of Economics.

Sir David Chipp, a former editor-in-chief of the Press Association, said yesterday that he was "very cross indeed" about any questioning of his independence.

Meanwhile, lawyers were starting to highlight the practical difficulties of implementing privacy measures, particularly restraining publication, throughout the UK.

"There is a perennial difficulty in getting injunctions

enforceable throughout the UK," said Mr Michael Smith, a media specialist and partner at law firm Clifford Chance.

The Calcutt proposals are aimed at least initially only at England and Wales. Northern Ireland is not mentioned.

"A prominent figure could be 'doorstepped' unlawfully in London but 'doorstepped' in exactly the same way in Belfast perfectly legally," Mr Smith said.

Wembley venue for BCCI meeting

THE LIQUIDATORS of the Bank of Credit and Commerce International were given High Court approval yesterday to hold a creditors' meeting in London, Richard Denkin writes.

Touche Ross expects about 5,000 creditors to attend the meeting at Wembley Arena on May 27. It is being held for creditors of BCCI SA, the Luxembourg-registered arm of the bank which ran all of BCCI's UK branches.

Some 140,000 creditors worldwide are potentially eligible to attend. So far Touche Ross has received 29,000 proof of debt forms from BCCI SA depositors worldwide. Of those, 5,000 have been returned from UK-based BCCI depositors who had accounts in British branches of the bank.

Cable TV growth 'will be 60%'

CABLE television will grow by more than 80 per cent this year, the Cable Television Association predicted yesterday.

Mr Richard Woollam, director-general of the CTA, forecast that at least 800,000 further homes would have access to cable networks and that there would be 300,000 new subscribers. He was speaking at a NatWest conference on cable communications in the City.

The latest cable subscription figures announced by Mr Woollam showed there were 434,468 subscribers to modern multi-channel cable on January 1.

BR board faces court case

BRITISH Railways Board is being prosecuted by the Health and Safety Executive over a rail accident near Leeds last summer in which 25 people were injured. The case is due to be heard on Monday morning before Leeds magistrates.

The new prosecution follows an investigation by the HSE's railway inspectorate into the Leeds crash, when a train from London's Kings Cross was diverted into the path of another train during emergency signalling procedures.

Steel decision

A MEETING of workers at Cleveland Iron decided yesterday against industrial action in response to the Teesside plant's closure, announced earlier this week by British Steel. The 200 men instructed iron and steel trades Confederation officials to urge British Steel to avoid compulsory redundancies by seeking volunteers.

'Special pleading' dismissed

By Philip Stephens, Political Editor

THE STORM of press criticism that greeted the Calcutt report on press regulation was dismissed by the government yesterday as "special pleading" as ministers underlined their determination to curb invasions of individual privacy.

Senior ministers said the unanimous criticism by newspaper editors of the report prepared for the government by Sir David Calcutt QC had seriously underestimated the mood at Westminster.

Members of the cabinet

known to take a liberal

approach to the issue of press freedom joined more instinctively hostile colleagues in insisting that the government was determined to criminalise "intrusive" behaviour by newspapers.

In spite of their rejection of Sir David's suggestion of a statutory press tribunal to replace the Press Complaints Commission, the ministers added that they were determined that voluntary regulation should be given "teeth" by making the commission more independent of the newspaper industry.

The government signalled

earlier this week that it would

legislate against the use of trespass, bugging devices and other electronic equipment to intrude on individual privacy.

The strength of feeling within the cabinet against the press, however, suggests that the promised "public interest" defence which newspapers could offer in cases of prominent public figures might be narrowly drawn.

Mr John Major, the prime minister, is keen to emphasise the government's preoccupation with protecting the privacy of ordinary people. But ministers privately are citing the cases of the Royal family, the resignation of Mr David

Mellor, the former national heritage secretary, and attacks on Mr Norman Lamont, the chancellor, as ones in which press coverage has gone too far.

Mr Major, who remarked recently that journalists were no longer interested in whether reports were true but rather whether they would "stand up", is pressing also for the new civil offence of invasion of privacy suggested by Calcutt.

Ministers acknowledge, however, that without an expensive commitment to extend legal aid such a law could be exploited only by the affluent.

BA woos fliers with cocoa and pyjamas

By Daniel Green

BRITISH AIRWAYS is to offer first-class passengers navy blue pyjamas, a duvet and a hot milky drink on some overnight flights from next week.

Passengers from New York's Kennedy airport will also be fed while still on the ground so they can sleep on the aircraft without interruption.

BA's move may signal the stepping up of the airline's efforts to woo top-paying passengers. BA's rival, Virgin Atlantic, to which it apologised earlier this week in the High Court over the "dirty tricks" affair, has an in-flight beauty therapist on some flights to Los Angeles.

BA's "sleepers trials" are the result of customer research which showed that what passengers wanted above all was a long sleep. "And they want a nice milky drink, crisp sheets and a proper-sized pillow," said the airline.

If the trial succeeds the airline will from April extend the service to many flights of less than nine hours which fly east after 7pm, though only passengers from JFK or Heathrow will be able to enjoy the pre-flight meal.

BA's "sleepers trials" recall the 1960s, when passengers could sleep in bunks on the Boeing Stratocruiser, a propeller aircraft derived from the B-39 bomber and notorious for its noise and vibration.

Since then, sleeping on aircraft has remained a trial, even in first class.

Only Philippine Airlines still offers bunk beds to first class passengers; on Tuesday flights from London to Manila and more often on trans-Pacific routes.

Japan Airlines gave up offering bunks on flights to Europe when the increasing range of modern aircraft allowed it to fly non-stop between Tokyo and Europe. Its inducements now include dressing first-class passengers in colour-coordinated "happy coats" and the use of a personal massage machine.

Lufthansa is studying the possibility of including bunks for passengers in the latest Airbus A340, which can fly 15 hours non-stop, but immediate plans mean that only crew will be able to use them.

CBI calls for tax exemption on redundancy counselling

By David Goodhart, Labour Editor

EMPLOYEES who are made redundant should be exempt from tax on the cost of counselling provided by their employers, the Confederation of British Industry said yesterday.

The recommendation, in the CBI's proposals to the government about the Budget, is directed at managers and higher paid workers whose redundancy packages exceed £20,000, the point at which tax begins to bite on such packages.

Mr Howard Davies, the CBI director-general, says that the effect of the tax is to make it more likely that employees decline the offer of outplacement counselling - advice on obtaining a new job.

"That is to their disadvantage because those who receive the counselling usually find new employment more quickly than those who do not," said Mr Davies.

"It is also to the disadvantage of the economy as a whole not to have these employees back in jobs as quickly as possible," he added.

The CBI's suggestion is one of 40 contained in its tax proposals sent to Mr Norman Lamont, the chancellor.

Others include a proposal to allow the costs of "green" measures to be tax deductible; proper recognition for tax purposes of the gains and losses from foreign exchange transactions; and harmonisation between the treatment of incidental costs arising from the raising of equity finance, which are not allowable against tax, and those from raising loan capital, which are allowable.

Openness on drugs backed

By Ralph Atkins

THE government yesterday indicated support in principle for a Labour MP's bill to increase information on the safety of medicines - but its qualified endorsement means the proposals are unlikely to become law.

Mr Tom Sackville, junior health minister, backed more openness in the drugs industry but said there were parts of the bill with which the government would have difficulties.

Much information supplied by pharmaceutical companies to drug licensing authorities

was highly sensitive commercially, he said.

Mr Giles Radice, Labour MP for Durham North, said his Medicines Information Bill would give patients more information about the risks and benefits of drugs.

However, Mr Richard Alexander, Conservative MP for Newark, warned that it could have a "devastating" effect on the pharmaceutical industry, which strongly opposes the measures.

The bill was given a second reading in the Commons but will almost certainly require a more positive government

stance to become law. It is backed by the Consumers' Association and the Campaign for Freedom of Information.

At present, section 118 of the 1968 Medicines Act makes it a criminal offence for officials to disclose information about the safety of medicines supplied by pharmaceutical manufacturers to licensing authorities.

Mr Radice regards the bill as a test of the government's commitment to reducing secrecy. It seeks to overcome fears about the confidentiality of information by restricting access to those who have no links with the pharmaceutical industry.

Pit jobs safe until spring

By Michael Smith

MINERS at the 10 pits earmarked by British Coal for early closure seem assured of jobs until at least well into the spring after the government yesterday gave consultants until the middle of March to report on the mines' viability.

The likelihood is that there will be several weeks, or months, of debate even after the report is completed. Unions have already said that they do not accept consultants John T. Boyd as the independent scrutineer called for by High Court judges last month. The March

15 deadline set yesterday by Mr Michael Heseltine, trade and industry secretary, may slip further. He acknowledged this in the terms of reference which say that he may agree to a later date.

Before the High Court decision, British Coal had planned to make the miners redundant on January 29. The corporation said yesterday that no decisions would be taken on the pits' future until all consultations were complete. This means that it will go on paying the miners their basic pay.

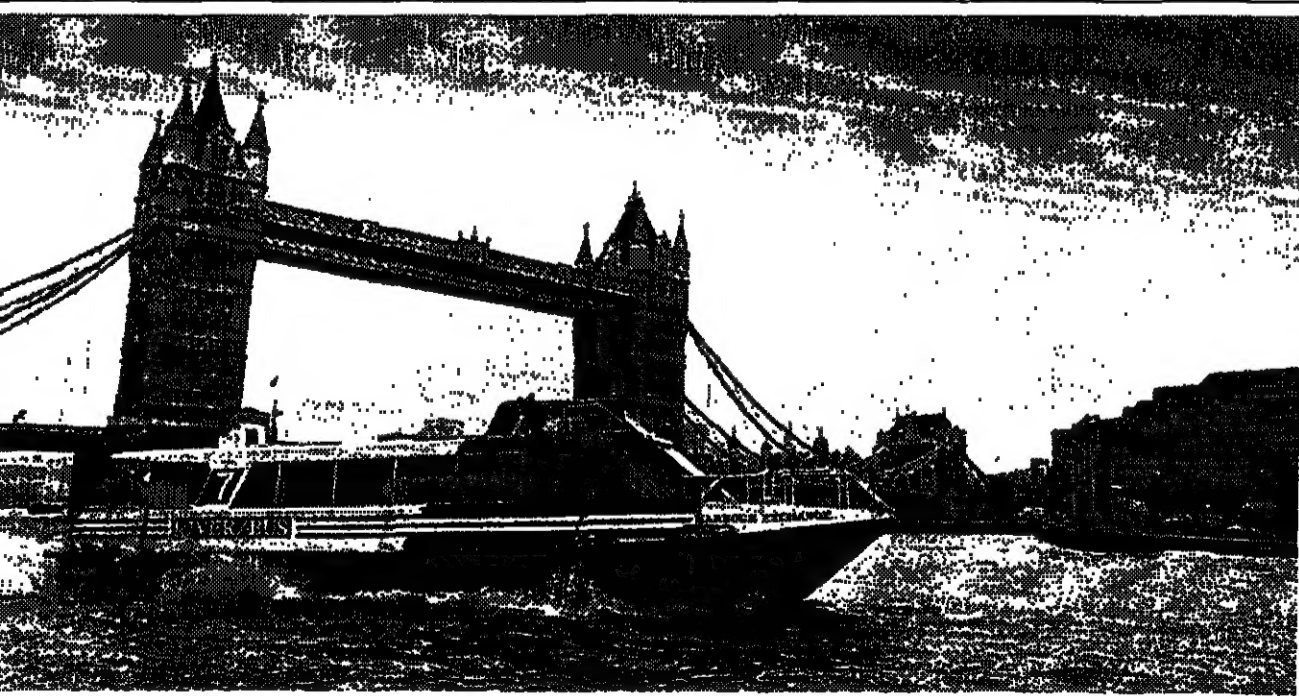
Between, in south Wales, yesterday became the last of the

10 to cease production with representatives of the 90 miners there saying they had figures showing it was heading for a £1m profit this year.

Perhaps the best hope for the 10 pits will be if the Commons trade and industry committee recommends saving them when it reports this month. Members of the committee will today receive ideas from Mr Richard Caborn, the Labour chairman. However Dr Keith Hampson, a Conservative member, said he thought about half the 31 pits initially suggested for closure could be saved.



Shaft of light: the Commons trade and industry committee may yet oppose closure of the 10 pits



London's RiverBus will run this weekend after management had almost raised the £1.82m needed to keep operating this year

Cuts may cost 33,000 jobs, council chiefs fear

By Andrew Adonis

MORE THAN 33,000 jobs will be lost in local government in England over the next year, mostly due to government spending cuts, according to a survey of council chief executives published yesterday.

But those figures could be greatly exaggerated, on the basis of another study released yesterday finding that the number of job losses in local government last year was far lower than that expected before final budgets for 1992-93 were agreed in March.

A Local Government Chronicle survey of 140 councils, employing 1.3m of the 1.6m staff in English councils, found chief executives estimating

that at least 33,000 jobs will be lost between now and April 1994, with 13,000 occurring within the next three months.

"Other councils contacted said there would be job losses but they had yet to calculate them - making the LGC figure an absolute minimum," it said.

The 140 councils surveyed said that they would need an extra £1.23bn from the government to maintain existing staffing and service levels, in addition to the £2.1bn of government support already pledged for 1993-94.

When this year's grant settlement was announced, Mr Michael Howard, the environment secretary, said that it would "enable councils to maintain existing service pro-

vision", with "no need for job losses".

However, a Municipal Journal survey of local government job losses in the year to September 1992 reports that 10,900 jobs were lost. That was well below predictions by councils earlier in the year.

Several authorities that had predicted redundancies in fact increased their staffing levels.

Mr Michael Burton, the survey editor, said: "The picture in the end was unpleasant but considerably less gloomy than envisaged as far as jobs went."

Mr John Redwood, local government minister, dismissed reports of large-scale compulsory redundancies as "speculative".

Culture and comfort remove Scottish appetite for new business

WHEN leading Scots were asked what they felt about their country's poor record on company creation, they gave replies which some will find disturbing.

"New firms cause competition and displacement. This is not always an advantage to the economy," said one.

"In the long term a few start-up businesses might help but I don't see them as crucial," said another.

"We would not need new firms if we paid attention to assisting and rescuing old businesses," was another view. This suggestion of complacency - if not hostility - toward rising entrepreneurs is a sign of a cultural problem which appears to be a factor in limiting growth of new businesses, and holding back the Scottish economy.

Scotland's business birth rate for companies of more than 50 people

The factors behind low company birth rate may be many and deep-rooted, writes James Buxton

between 1978 and 1990 was 77 new companies per 1m of population. The figure for the west Midlands was 86 and for south-east England 116. All were dwarfed by the performance of Massachusetts in the US with 333.

In 1990 125,000 people were working in independent businesses in Scotland set up since 1978 - but an extra 70,000 jobs would have been created if the Scottish business birth rate had matched that of the west Midlands, and 320,000 if growth had been as strong as in the south-east.

None of this means that the Scottish economy is in terminal decline. Over the past two decades Scotland has escaped its dependence on heavy industry and achieved a more balanced economy. It has also suf-

fered less severely from the recession than much of the rest of Britain. In a country of 5m people fewer than 350,000 are registered unemployed.

But why should Scotland, whose entrepreneurs thrived in the 18th century and whose expatriates head important businesses in England, California and elsewhere, generate relatively few at home?

Scottish Enterprise's research, carried out by nine firms of consultants, attributed part of the blame to culture. Scots rated the entrepreneur as fifth most admired profession, below teachers, bankers and manual workers such as plumbers and bus drivers. The English put entrepreneurs third after teachers and bankers, and Germans put them after teachers.

Entrepreneurs were not perceived as being the caring sort of people Scots are educated to admire. And interviews with people in the business and financial community, as well as trade unionists, academics, journalists and churchmen, revealed serious doubts about the value of new businesses.

Many believed it would be better to concentrate on helping existing companies and encouraging a continuing stream of inward investors.

Yet the number of new inward investment projects Scotland can hope for has been declining, and competition is hotting up.

In spite of what might seem a discouraging cultural environment, Scottish Enterprise's research showed that 570,000 men and 285,000 women - 19 per cent of the adult

population - would like to start businesses and believed they were capable of it, the same proportion as in Britain as a whole, though below the 21 per cent in the south-east.

But only 7 per cent of Scotland's potential entrepreneurs had taken up the challenge, compared with 13.7 per cent in southern England.

The main reason was difficulty raising finance. Some complaints about banks and venture capital organisations are familiar - borrowers complain that lenders are too cautious, and lenders say the projects are not good enough.

But two distinct Scottish factors play a part. One is that Scots tend to have less personal wealth than people in other parts of Britain. Slightly more than half of Scots own their homes, compared with

more than two-thirds in England, and many Scots are new to home ownership - only 35 per cent were owner occupiers in 1979.

Since much lending for new ventures is secured on the house of the founder, Scots have less borrowing potential. Scottish houses are generally less valuable than those in southern England, so Scots may have less free equity in their house to support a second mortgage.

It is often said that Scotland is a village, a network of interlocking groups in which everybody knows somebody - ideal territory, it might be thought, for "networking", the process by which people with business projects contact individuals with money to invest.

Yet the research showed that networking operates poorly in Scotland, apparently because many would-be entrepreneurs are reticent about discussing ideas with friends, and many are not members of clubs and associations - "even the golf club was unusual", the Scottish Enterprise document says. The Scottish financial community was presented by those outside it as a closed circuit.

Another factor is the quality of life, which may mean that those people who do form companies find their ambitions satisfied relatively early, discouraging expansion.

"The quality of life in Scotland is just too good and doesn't cost much to get a good slice of," one venture capitalist says. "If you are making £100,000 after tax from a business, you can afford a nice house and access to open space that in the south would need a much bigger income. For some, life's too comfortable."

Pay freezes spread in construction

By Andrew Taylor, Construction Correspondent

MORE than 20,000 employees of recession-hit construction companies have had their salaries frozen or cut, a survey by the Financial Times indicated yesterday. Pay at one group has been cut by 5 per cent.

A separate poll of 80 senior construction executives conducted by Gallup for Building magazine revealed that almost two thirds of contractors expect to impose a pay freeze this year.

Costain, the troubled construction and coal mining group, announced last week that it was seeking to impose a 5 per cent pay cut on its 2,800 UK staff from April 1. It is also making a 150 employees redundant in addition to the 300 whose redundancies were announced by the group in November.

Trafalgar House Construction, Bovis, Taylor Woodrow and Alfred McAlpine are among building companies which are imposing pay freezes this year.

Contractors faced with large borrowings, deteriorating order books and falling profitability are under pressure from banks to restrain overheads.

Costain, as part of a package to reduce costs by £11m a year, has cut its entertainment budget and downgraded executive air travel, with senior manag-

ers no longer allowed to fly first class. Company cars will be replaced with more economical diesel models.

Taylor Woodrow, which last year froze the pay of middle and senior management, has said there will be no annual salary increase this year for its 9,000 employees.

The company, which made a £16m pre-tax loss in the first six months of last year, has told staff that pay will remain frozen until the economic situation improves.

The 4,700 workers at Alfred McAlpine, who should have received an annual pay increase in November, have also had their salaries frozen. Bovis, which should have increased salaries on January 1, has introduced a six-month wage freeze for its 1,000 UK construction staff. It says it will review the position in June.

Trafalgar House Construction froze the pay of its 3,500 UK staff last October. It says it will review the position this autumn. THC cut its staff by about 400 last year.

More than 400,000 construction jobs are estimated to have been lost by the industry since summer 1989.

The Building magazine survey says that 58 per cent of housebuilders, 67 per cent of building materials producers and 59 per cent of consultants also propose to introduce pay freezes this year.

Builders to study conduct of banks

By Andrew Taylor

BUILDERS ARE to monitor the behaviour of banks, which they claim are unnecessarily forcing businesses into liquidation.

The campaign, called Bank Watch, has been launched by the Chartered Institute of Building, which represents more than 30,000 managers and directors of construction companies.

The move, announced yesterday, came two days after 18 MPs put their names to an early day motion expressing concern at Clydesdale Bank's "cynical" decision to call in the receivers at Lilley Group, the Glasgow-based construction company.

Mr Julian Barlow, institute commercial director, said that there had been a sharp rise in members' complaints of undue pressure from banks leading to an increase in bankruptcies and liquidations.

"Companies become even more vulnerable when a recession ends and land prices start to rise again and banks can see an opportunity to get their money back from selling assets," he said.

"We want our members to monitor the behaviour of banks so that we can prepare a dossier which can be presented as evidence to lending institutions, MPs and government ministers."

Lilley Group was put into receivership after a rescue package failed to obtain the unanimous support of its bankers.

Ike's favourite soon to join the fray

John Griffiths reports on the Jeep's entry into the four-wheel-drive market

CHRYSLER Corporation yesterday returned to the UK vehicle market for the first time since selling its British manufacturing assets to Peugeot of France in the late 1970s.

Initially it is battling for sales in one of the few sectors to have grown during the recession - the off-road four-wheel-drive market. Such vehicles have become fashionable among city dwellers who may never do any off-road driving.

Chrysler's offering is the Jeep, possibly the world's best known name in four-wheel-drive. The first military versions, along with landing craft and the Douglas Dakota aircraft, were credited by President Dwight D. Eisenhower - nicknamed Ike - with winning the second world war.

The Cherokee, the Jeep model which most closely rivals Rover's successful Land Rover Discovery and Range Rover models, and the Wrangler, a much revised version of the machine for which President Eisenhower had such affection, are to tackle a UK four-wheel-drive leisure sector where sales were estimated at more than 40,000 last year.

A measure of the seriousness with which Chrysler is taking the UK market is that the Cherokee has been re-engineered as a right-hand-drive model. The company says it is the first volume production model built with right-hand-drive for export to the UK by a north American manufacturer.

According to Land Rover, UK sales of larger vehicles in the category - typified by the Discovery and Range Rover and imports such as Toyota's Land Cruiser and the Mitsubishi Shogun - reached 27,960 in the first 11 months of last year. That was a 38.4 per cent jump on the 20,207 during the same period in 1991.

The market is due to become more crowded later this year when Ford and Nissan launch their respective badged versions of a vehicle similar in size to the Discovery. This model will be produced at a Nissan plant in Spain, and will be sold in Europe under both Nissan and Ford names.

The vehicle, code-named ET by Nissan which has yet to give it a brand name, are to be



Vauxhall's Frontera Sport, the type of vehicle that is finding a market among younger drivers

built at a rate of 50,000 a year. Both parties are cautious about predicting market prospects in the UK.

Mr Ian McAllister, chairman of Ford of Britain, said: "We will have to see how sales develop after it is launched in late spring."

Sales of the smaller, cheaper four-wheel-drive leisure vehicles such as Vauxhall's Frontera Sport, which are becoming fashionable among younger drivers as an alternative to sports cars, also rose sharply in the first 11 months of last year. They rose by just

under 20 per cent to 9,698 from 8,112. For Vauxhall the target is to topple Suzuki's Vitara, which accounted for 5,800 of these sales.

The Jeeps will be sold through an initial network of 80 dealers. Mr Richard Mackay, managing director of Chrysler Jeep Imports UK, expects this network to grow steadily as Chrysler's market presence becomes established. His company is based in Dover and was set up by TKM, the multi-franchise vehicle distributor and retailer.

With its Range Rover model having secured a similar "lifestyle" niche at the top end of the market, the company's launch of its similar-sized but cheaper Discovery model in 1989 has proved more successful than even it had hoped. Discoveries have replaced more traditional estate cars across large swathes of suburbia, and the model is the undisputed UK market leader with nearly 10,000 sales last year.

Chrysler's market research indicates there are some 4.5m people aged 24 to 40 with "active" lifestyles who are potentially receptive to the £2m advertising campaign it is about to launch.

With Wrangler prices

starting at less than £13,000 and the Cherokee at £15,345, initial sales of at least 2,000 a year are expected.

Mr Mackay, rival importers and Land Rover executives all believe that there remains a great deal of growth in the leisure four-wheel-drive sector, which has quadrupled in the UK in less than a decade.

The sector, once dominated by utilitarian vehicles such as the Land Rover, has grown largely as a result of Japanese imports. They have broadened the market with a variety of vehicles of all sizes, and with those such as the cheapest Suzuki models costing little more than a small hatchback.

Mr John Norman, Suzuki GB's managing director, believes the marketing to young buyers of the SJ model as a leisure vehicle was a crucial factor in changing British attitudes towards such vehicles. The SJ was depicted in one advertising campaign as a "wild weekendender".

Rover Group's Land Rover subsidiary has been the prime beneficiary of the trend.

With its Range Rover model having secured a similar "lifestyle" niche at the top end of the market, the company's launch of its similar-sized but cheaper Discovery model in 1989 has proved more successful than even it had hoped. Discoveries have replaced more traditional estate cars across large swathes of suburbia, and the model is the undisputed UK market leader with nearly 10,000 sales last year.

Chrysler's market research indicates there are some 4.5m people aged 24 to 40 with "active" lifestyles who are potentially receptive to the £2m advertising campaign it is about to launch.

Dearer food boosts the underlying inflation rate

By Emma Tucker, Economics Staff

UPWARD PRESSURE on seasonal food prices was the main influence behind the 0.1 per cent rise in underlying inflation last month compared with the previous month.

The Central Statistical Office said that although seasonal food prices were still low, due to plentiful supplies of fresh fruit and vegetables, prices rose by more in December than they did in the same month the previous year.

As a result the retail price index excluding mortgage interest payments, the Treasury's measure of underlying

inflation, rose by 3.7 per cent in the year to December, compared with 3.6 per cent in the year to November.

The 0.4 per cent fall in the all-items index from 139.7 in November to 139.2 last month, which took headline inflation to 2.6 per cent, was the result of further mortgage rate cuts.

Housing costs fell 2.6 per cent in December compared with the previous month and the year-on-year rate dropped to 0.5 per cent from 3.5 per cent in the year to November.

The CSO said the impact of the cut in mortgage interest rates on the all items index was tempered by the upward movement of food prices.

Seasonal food prices rose by 4 per cent month-on-month, compared with a monthly rise of only 1.2 per cent in December 1991. Compared with a year ago, prices are still falling. In the year to December seasonal food prices dropped by 9.9 per cent, a slower fall than in the year to November when prices fell 12.4 per cent.

Non-seasonal food prices rose a modest 0.5 per cent in December, but may pick up this month as increases are expected for butter, sugar, imported lamb and poultry.

Continuing falls in the prices of second-hand cars were behind a 0.4 per cent monthly fall in motoring expenditure prices. Recent cuts in petrol prices are expected to push the RPI downward this month.

Christmas discounts on wines and spirits pushed alcoholic drinks prices down by 0.5 per cent on the month.

Household goods prices rose 0.7 per cent on the month, reflecting price rises on furniture and electrical goods as new stock entered the shops. Year-on-year prices rose 2.1 per cent, compared with 2 per cent in the year to November.

Clothing and shoe prices fell by 0.5 per cent on the month, the sharpest fall for any December since 1954. That followed widespread special offers.

The outlook for January is mixed. The headline rate will be pushed down by lower mortgage rates and a sharp fall in petrol costs, but seasonal food prices usually rise in January and alcohol may cost more as Christmas offers end.

UK inflation rate (+2.6%) RPI 139.2 in December	
Housing (172)	-0.3%
Motoring (148)	-4.0%
Food (non-seasonal) (130)	+2.7%
Alcoholic drink (50)	+5.0%
Household goods (77)	+2.1%
Clothing & footwear (59)	-1.1%
Household services (43)	+3.3%
Leisure goods (47)	+1.5%
Catering (47)	+5.2%
Fuel & light (47)	-0.5%
Personal goods, serv. (40)	+6.4%
Tobacco (36)	+6.1%
Leisure services (32)	+5.6%
Food (seasonal) (22)	-0.9%
Fares & travel costs (20)	+5.5%

Figures in brackets are weights in retail price index of parts of 1,000

Percentages represent annual % change to October 1992

Source: CSO

Signs of recovery in north-west

By Ian Hamilton Fazey, Northern Correspondent

A SLOW but fragile economic recovery appears to be building in north-west England and north Wales, according to the latest quarterly surveys by the regional chambers of commerce and industry in Manchester and Liverpool.

After faltering last summer, domestic orders between October and December resumed an upward trend which began in 1991. Business confidence has also improved, and a few companies have revived investment plans. But redundancies are forecast nevertheless.

Both chambers report buoyant export markets, with the Liverpool chamber's service-sector members responding faster than manufacturers to the devaluation of sterling in September.

Manchester chamber's manufacturers, however, reported strong export sales.

Electrical market forecast to fall 2%

By Tony Jackson and Alan Cane

THE UK market for electrical and electronic equipment is likely to contract by as much as 2 per cent this year, Mr Juergen Gehrels, chief executive of the UK subsidiary of Siemens of Germany, predicted yesterday.

He said it would be the first time in more than a decade that the £37bn market had failed to grow. His prediction casts further doubt on the prospect of a consumer-led economic recovery this year.

Mr Gehrels said the market had grown consistently by up to 8 per cent a year over the past 10 years but was essentially flat in 1992.

The UK company, however, which includes Siemens Plessey Electronic Systems and a 40 per cent stake in GPT Holdings, increased revenues by 3.9 per cent to £261.3m last year and expects to break the £1bn barrier this year. Mr Gehrels

said the company was profitable overall, but if the contribution from the GPT telecommunications joint venture with GEC were excluded, it was in loss.

He agreed, however, that the company had paid too much for its share of the joint bid with GEC for Plessey in 1988 and that the cost increases as a consequence of devaluation on goods imported in to the UK were a "tremendous problem".

Last year Siemens UK had exports of £186m against imports estimated at £170m. Siemens spent £137m on research and development in the UK last year, equal to 16 per cent of Siemens UK turnover. Mr Gehrels said: "The UK has a great resource of talented engineers and physicists. That is one of the main reasons for Siemens' involvement in the UK."

The British workforce, he said, was less skilled than the German, but this was not a significant handicap.

THE NATURAL CHOICE IN NETWORKING

It's clear that for your organisation to be more competitive, everyone must be in close formation.

That's where your corporate network can play a major role.

An effective network ensures information is available precisely where it's needed.

Enabling people to be more responsive, imaginative and single-minded.

As one of the world's leading independent data communications suppliers, Racal-Datacom offers products and expertise to make this happen.

We can 'audit' your network and bring to light what might need changing.

We even provide comprehensive network management, with international support and service.

And we can integrate all kinds of third-party products, to provide complete solutions.

If you want to give your business strong direction, just call (0256) 760036.

From now on, the skies are open.

With the right network, your business can really go places.

Racal-Datacom Limited, Landata House, Station Road, Hook, Hampshire RG27 9PE, England. Telephone: (0256) 760036. Fax: (0256) 768280.

RACAL

FINANCIAL TIMES

Number One Southwark Bridge, London SE1 9HL
Tel: 071-873 3000 Telex: 922186 Fax: 071-407 5700
Saturday January 16 1993

Clinton's viewpoint

A WEEK from now Mr Bill Clinton will be president of the US. Whether his elevation represents the decisive break with the free-market economics of his two predecessors is, as yet, far from clear. What is clear, however, is the change he represents in attitudes to government itself. Unlike Mr Reagan or Mr Bush, Mr Clinton believes in it passionately. What is more, as a Democrat facing a Democratic Congress, he has the capacity to act on that belief. Yet to govern is to choose. Mr Clinton will have to make his choices soon.

The new president wants to achieve the economic regeneration of the US. Yet Mr Michael Boskin, outgoing chairman of the council of economic advisers, argues in his annual Economic Report of the President that the US is not in economic decline relative to most other advanced industrial countries. He is right. Of industrial countries, only Japan's overall economic performance has been notably better over the long term.

Mr Boskin is not a pseudonym for Dr Pangloss. He admits the "deplorable" quality of secondary education, an excessively costly healthcare system that fails to insure many Americans, and continuing high levels of poverty. It is to Mr Clinton's credit that these are the main items on his agenda. Unfortunately for him, some of these problems - the poor quality of secondary education, for example - may be beyond the power of even the most determined president to remedy. Meanwhile, those that might be remediable - incomplete health insurance, for example - are likely to add a huge burden to a budget already drowning in red ink. The more Mr Clinton chooses to increase public spending, the less he will be able to reduce the yawning fiscal deficit. That is no trivial matter, however, since the fiscal deficit is the single most important remediable cause for the low US rate of capital accumulation.

Strongest economy

To make the new administration's dilemma worse, Mr Richard Darman, the outgoing budget director, admitted last week that the US fiscal deficit was more likely to widen than narrow, on unchanged policies. In view of Mr Clinton's ambitions for public spending, his promise to cut the budget deficit in half in his first term is likely to suffer the same fate as similar promises from his predecessor.

Fortunately for the new president, what he inherits is not in all respects as unhealthy as the fiscal arithmetic. The US economy is virtually certain to be the strongest in the Group of Seven leading industrial countries this year. A

relatively strong US economy, combined with dismal performance almost everywhere else, is the opposite of what the hapless Mr Nicholas Brady had to face throughout his term of office. It will help give Mr Lloyd Bentsen, Mr Clinton's nominee as US Treasury secretary, the platform from which to "reassert leadership in the G7", as he desires.

Mr Bentsen may even find himself pushing, if not on an open door - the Bundesbank's never is, where expansionary policies are concerned - at least on one that is not locked and bolted. It is encouraging, moreover, that so senior a figure in the forthcoming administration recognises the importance of active international engagement. Mr Clinton's domestic agenda was, it once seemed, likely to crowd out international concerns. Perhaps that danger has been overstated.

Religious attachment

The fundamental question is not whether the US should be engaged, but how. What, in particular, should it try to do in the G7? It must not repeat past experiments with exchange rate co-ordination. The monetary effects of those attempts were probably the most important single cause of Japan's bubble economy and its aftermath, which also explains the Bank of Japan's unwillingness to pursue expansionary monetary policies today. There is little more chance of achieving exchange rate co-ordination with the principal European economies. Given the almost religious attachment to fixed exchange rates of so many of them, this may be surprising. The exception, however, is Germany and it alone is in a position to bind the European currencies to the US dollar and the Japanese yen.

Nevertheless, economic pressures ensure that Germany will move still further towards expansionary policies. The Bundesbank may well move fast enough to save what is left of the ERM. Even so, the Bundesbank's movement remains too slow for the German government.

This continued inability of the German government to co-ordinate with the German central bank makes talk of international co-ordination seem rather ambitious. But some things must be attempted. Two items, in particular, should be on the top of the agenda: greater help for reform in the former Soviet Union and completion of the Uruguay Round of multilateral trade negotiations. Mr Clinton cannot escape these responsibilities. There can be no purely domestic US presidency and no lasting domestic success without an effective international engagement.

Shortly before Christmas, a City of London tour guide was interrupted as she delivered a brief history of the Bank of England over her coach microphone. Bemused American tourists found themselves listening to a conversation, relayed through the coach speakers, detailing the proposed negotiating terms for the acquisition of a chain of 35 shops in France.

The unwitting informant was on his telephone in the car behind. The details he imparted were of no interest to a group of Texan farm-equipment dealers, but someone, somewhere, might have gone to extraordinary lengths to get them.

The thirst for finding out what the commercial competition is up to - highlighted in this week's High Court revelations over British Airways' campaign against Virgin Atlantic - appears unquenchable. Given the odds against a lucky break outside the Bank of England, companies are increasingly employing industrial spies, corporate intelligence skills and equipment to ensure they are always well briefed.

The business of seeking or safeguarding business secrets is a growth market. "There has been a big change in attitudes among UK companies towards spying on other businesses," says Mr Terence Burke, a former US Central Intelligence Agency and Drug Enforcement Administration officer who heads the London office of IGI International, a corporate investigation company.

Whereas companies were once primarily intent on protecting the bricks and mortar of their business against criminals, the value of commercial information and the potential damage inflicted by its loss is now regarded as just as important.

Business executives can also argue that they have a fiduciary obligation to discover, on behalf of shareholders and employees, what competitors are doing, providing it is legally obtained and does not invade people's privacy.

IGI has just stopped a UK company signing a lease on an east European office block with a bogus intermediary. "That's a case of due diligence, not spying," says Mr Burke.

Mr Blenlyth Jenkins, director of corporate affairs at the Institute of Directors, adds: "Every director of every company has a duty to know as much as possible about the competition. Even so, there are lengths beyond which they should not go in trying to find out."

But how far are companies, or the agencies they hire, prepared to go to do this? Is it just a matter of illegality in order to keep an eye on the competition? Are many of Britain's boardrooms really bugged, or are tales of widespread industrial espionage as fanciful as the plot of a detective thriller?

If current sales of electronic surveillance equipment are any guide, then UK business is overrun with professional busy-bodies, though they are not necessarily acting illegally. "To bug your own employees (at work, as Robert Maxwell did) may not be very nice but it's not going to land you in court," says one bugging expert.

Sales of all forms of surveillance equipment, much of it for protective rather than intrusive purposes, have risen throughout the recession. Products include bugs concealed in pens, calculators and credit cards. For the more stylish businessman, there is an electronic olive on a cocktail stick.

Estimates by larger suppliers suggest that up to 30,000 bugs are sold annually, with the large majority going to corporate customers.

As demand for business information grows, Michael Cassell examines the extent of UK company eavesdropping

Bugs infest the boardroom



David Benn, managing director of Lorraine Electronics, says nearly all his sales are to businessmen. "There is a lot of corporate paranoia about information leaking out. One in 50 times something might be found but leaks are more likely to be the result of sloppiness."

It is not only companies, but their professional advisers who are apparently regarded as fair targets for eavesdropping. One of London's largest law firms has its meeting rooms regularly swept for devices. A senior partner recalls: "Information was leaking out almost as soon as our meetings had ended. Nothing was found but there were clear signs of tampering."

A merchant bank executive in the City says his offices are also routinely scanned, part of a "safety-first" procedure that puts people and documents into categories of confidentiality: "Someone with the wrong category of documents in their possession can be fired."

To feed the appetite for information on companies, products and individuals, a new breed of professional corporate investigator is also emerging. Staffed with former barristers, bankers and accountants, these companies intend to dismantle the caricature of the slightly seedy detective agency run by chain-smoking ex-coppers.

If pushed, however, some legitimate agencies concede they might sometimes be tempted to stretch

good business ethics to the limit. None of them say they would be prepared to mount a campaign to undermine the standing of their clients' competitors.

BA found to its cost that such a strategy can backfire, reflecting badly on the company and on everyone involved in it. The affair cost BA £510,000 in legal damages and an estimated £2m in legal costs after it accused Virgin of seeking publicity in exposing a "dirty tricks" campaign waged against it.

As with BA, the underbelly of covert corporate detection work is occasionally exposed. In 1990, as Loring Properties became the target of a hostile takeover attempt, it told the Takeover Panel it had found an electronic bug in its offices.

Three years earlier, three men were convicted for placing a listening device in a biscuit tin outside the home of an executive of Comet, a subsidiary of the then Woolworth group which was the object of a bid from Dixons.

A more recent story of corporate espionage involves the tactics adopted by a large UK retailer to undermine another high-street multiple in advance of a takeover bid. The potential target, its suspicions aroused by unusually bad figures from some stores, installed listening equipment to eavesdrop on its man-

agers. A startling tale emerged.

Several managers had been bribed to depress sales returns, denting the company's figures and making it more vulnerable to outside attack. Damning conversations were recorded, and the plotters backed off under threat of exposure.

At present, there are two significant cases of alleged industrial espionage before the British courts, one involving the alleged sale of confidential information and the other centred on alleged attempts to plant a "spy" in a competing business.

Most companies, however, are more interested in protecting what they hold than in extracting secrets from others, with some types of business more sensitive than others to the dangers of damaging leaks.

Increasing numbers of businesses, such as Heinz, the giant food products group, implement so-called "risk analysis" exercises, effectively employing outside professionals to prowl through the company, seeking out weak spots from which information might escape.

Takeover bids heighten the need for stronger defences on both sides. BTR, the industrial conglomerate, used corporate investigators to check the security of its own information systems before bidding successfully in 1991 for Hawker Siddeley, the engineering group. The company was chastened to see the quality of information abandoned nightly by staff in dustbins.

More generally, tendering activity is seen as an area particularly vulnerable to information leaks. Knowing what the opposition is prepared to bid can pay immense dividends.

The oil industry appears more prone than many to information seepage during the preparation of contract tenders. Other businesses in which security of information has a high priority include property development, where inside data can make a big difference to a deal.

In the intensely competitive consumer products business, advance information on new brands and pricing strategies can pay big bonuses. "If people think we just walk round the stores to find out what the others are doing, they are very wide of the mark," according to an executive in one personal products group.

His company, like many others, now operates a competitive intelligence department, charged with the task of legitimately monitoring the opposition. Computer manufacturers, too, run units with the same function.

A minefield of legality awaits those tempted to pursue more adventurous techniques. While anyone can purchase bugging and scanning equipment, the interception of Communications Act and the Wireless and Telegraphy Act limit its use; to adopt a false guise can constitute misrepresentation, while tapping into computers can invoke the Data Protection Act or the Computer Misuse Act.

Infringements can be hard to prove. A Manchester property company allegedly spying on another was charged with stealing 5p of electricity to operate a bug, although the case was dismissed.

Mr Patrick Grayson, executive managing director of Kroll Associates, the US corporate investigator, says there is plenty of corporate information available on the record, provided people know where to look. Mr Grayson, whose own Savile Row offices are swept for bugs, says his company's activities follow a code which is based on strict adherence to the law.

"We sometimes have to make moral judgments and, as importantly, there is the matter of how any actions may be perceived. Dustbin emptying might not necessarily be illegal but it is certainly tacky. If some clients do not care how we get information, we do. Our reputation as well as theirs is at stake."

Companies like Kroll and IGI, however, have not escaped accusations of acting in ways that may not fully measure up to their codes of practice.

Mr Bruce George, the Labour MP for Walsall South - who has had his own Commons offices bugged - is pressing for legislation to ensure that corporate investigators and other security specialists are licensed. "Which other country would tolerate investigators being allowed to operate as free agents?"

There will always be some readily prepared to indulge in "dirty tricks", says Mr Steve Smith, deputy managing director of Carratu International, a respected corporate investigation company which itself has been bugged.

He tells the story of the bogus British Telecom engineers who have been tracked down more than once in the City. "They have all the right gear and all the know-how. They tap identified lines from pavement junction boxes and listen in from a vehicle parked nearby. We've discovered their activities several times. But it's always too late to catch them."

MAN IN THE NEWS: Dr Radovan Karadzic

Just what the doctor ordered

Dr Radovan Karadzic, the leader of the Bosnian Serbs, reviled throughout the world for his policy of "ethnic cleansing" in Bosnia, at last appears to have been outmanoeuvred. Against his own most fundamental convictions, and certainly those of his headline colleagues, he will be forced next week to defend before his own parliament a constitutional agreement for Bosnia imposed on him by his closest ally, Mr Slobodan Milosevic, the Serbian president.

The shock-headed psychiatrist, whose specialities are neurosis and depression, may also be fighting for his political life. If the Bosnian Serb assembly, composed largely of the kind of extremists which make Mr Karadzic look moderate, reject the plan proposed by the international mediators in Geneva, he has threatened to resign. Given the general unreliability of his promises, it is perhaps more likely that he might be jettisoned by Serb military leaders, unwilling to give up the substantial territorial gains they have made at the Moslems' expense.

It is a matter of supreme irony that Dr Karadzic should have been put in such a difficult position by the man who personifies his ideas of Serbian nationalism and a greater Serbia. To the surprise of most observers, with the exception perhaps of the mediators, Mr Cyrus Vance and Lord Owen, who had meticulously prepared such a scenario, Mr Milosevic exerted extraordinary pressure to make the Bosnian Serb leader change his mind.

"They really did twist Karadzic's arm unmercifully," a seasoned diplomatic observer said afterwards. Indeed, the normally loquacious Mr Karadzic was reported to have been reduced to virtual incoherence at

the end of the talks early this week, when he saw the prospect of a Serbian "state within a state" evaporate - at least on paper.

Like many psychiatrists, the man whom Mr Lawrence Eagleburger, the outgoing US secretary of state, said should be one of those to be tried for war crimes, has something of a split personality - a Jekyll and Hyde. Though, physically, an intimidatingly large bear-like figure, many of his visitors have been seduced by his personal charm. He has written, published and likes to talk about poetry - he did so last year on a BBC arts programme - and, incongruous though it might seem, he plays the Serbian lyre. He is a family man. His wife Lilyan is also a psychiatrist and his two children, both in their 20s, also study medicine. At one stage, Dr Karadzic was even the official doctor to the Sarajevo football team.

Those acquainted with the Bosnian Serb leader stress that "he enjoys the good life". He is reputed to have rented a villa for his family in Geneva for the duration of the peace conference, though he himself tends to stay in a hotel during the main negotiating sessions. "He is capable of anything - good or bad," in the words of a Yugoslav-born observer. "He lies unconsciously in order to please his interlocutors, and he probably persuades himself that what he says is true."

The examples of Dr Karadzic's capacity to play havoc with the truth are manifold. He has, in turn, fiercely denied allegations of ethnic cleansing and the existence of detention camps into which thousands of Moslems have been herded, and then promised to open them to inspection and even to close them. At the same time, the Bosnian Serb propaganda machine, based in Pale,



near Sarajevo, has been disseminating the most horrific stories about alleged Moslem atrocities, most of which have never been confirmed by independent sources. At the Geneva negotiations, journalists may report his statements, but rarely believe them. This week, he made the throw-away remark as he went into the meeting at which he rejected the Vance-Owen constitutional proposals: "I am hoping for a compromise." A few hours later, after Mr Milosevic had done his work in a *à la carte* meeting, he accepted the proposals - on condition that they were approved by the Bosnian Serb assembly.

Many believe that the reasons for Dr Karadzic's primitive form of Serbian nationalism in a region held up, in the past, as an example of successful ethnic integration, can be found in his origins. He is, in fact, not a Serb. Born in a mountainous region of Montenegro, he came to Sarajevo to find fame and fortune, but found it difficult to

penetrate the intellectual Moslem elite. In a country divided into relatively sophisticated Moslem city dwellers and a rural population dominated by the Serbs, Dr Karadzic, of peasant origin, found a much greater affinity with the Serbs.

However, he did not emerge into the political limelight until 1990 when, after a spell in prison for the misappropriation of government funds (Dr Karadzic claims it was for anti-communist activities), he helped found the nationalist Serbian Democratic party, with the explicit objective of uniting all Serbs within a greater Serbia.

The objective has never changed. While the mediators have insisted in the Geneva negotiations on a unitary, if decentralised Bosnian state, divided into 10 semi-autonomous provinces, Dr Karadzic has fought tooth and nail for his vision of a simple ethnic division of the country into three communities (Serb, Moslem and Croat). In his view they should each be allowed to form "a state within a state" with full powers in domestic and international affairs. Implicit in his proposal is the expectation that the Bosnian Serbs would merge with Serbia simply when they decided to do so.

Dr Karadzic's great idol, Mr Milosevic, appears temporarily prepared to abandon this dream, mainly because it is in Serbia's interests to persuade the international community to lift its sanctions. This has been the biggest blow suffered by the Bosnian Serb leader in his short political career.

Yet he knows that, unless his own supporters and military leaders completely abandon him and force him to resign, he can live to fight another day. There are enough controversial elements of the package which remain to be negotiated - the map of the provinces into which the country will be divided and the terms of a cessation of hostilities - to enable him to spin out the talks and even to provoke their breakdown. Mr Milosevic willing, of course.

Robert Mauthner

One Market. One Newspaper.

One Survey.

'The Single European Market' will be published with the Financial Times on January 19.

As you'd expect of Europe's Business Newspaper it will be the definitive survey on this landmark development, with an expert team of journalists providing in-depth analysis of every aspect of the Single Market.

It will be read by over a million business people around the world. Make sure you're one of them by getting your copy of the FT on January 19.

FINANCIAL TIMES
EUROPE'S BUSINESS NEWSPAPER

Europe's case of the Danish blues

Lionel Barber on the implications of Poul Schlüter's resignation

The odds still appear to favour approval of Maastricht. True, no one inside or outside Denmark is quite sure how the extended text differs in substance from the treaty rejected narrowly in last June's referendum. But seven out of Denmark's eight political parties back the Edinburgh deal which sets out exemptions on monetary union, a common defence policy, EC justice and home affairs and common citizenship.

More important, the main parties, notably the opposition Social Democrats, have pledged to campaign wholeheartedly for Maastricht. Last year they were content to let Danish business and the civil service defend what many Danes thought was an unsatisfactory treaty.

In June, almost 60 per cent of Social Democrat supporters failed to back the treaty, either because of a lack of enthusiasm or hostility towards Mr Schlüter's conservative-liberal coalition. If the Social Democrats form the next government, they would be likely to push Maastricht hard, recognising that the next referendum is Denmark's last chance to come back into the EC fold.

Or so the argument in Copenhagen goes. But as the events of the past few months demonstrate, nothing in Denmark is quite what it first seems. The country meets the exacting standards required for European monetary union on inflation and budget deficits



Social Democratic leader Poul Nyrup Rasmussen, left, and outgoing PM Poul Schlüter

but appears unwilling to take part in a single European currency. It vigorously supports the single European market but has serious reservations about common European citizenship. Danes can be dour (listen to Mr HOA Kjeldsen, president of the Agricultural Council talking about improvements in Denmark's pig slaughtering capacity; or they can be frivolous. The economic minister created a diplomatic incident recently when he

making more accountability. Not many other countries were prepared to sacrifice a prime minister to defend the rights of Tamil immigrants, one EC official said.

But the same official acknowledged that it was far from clear whether the majority of Danes viewed Maastricht in the same light. Indeed, one interpretation is that the scandal is more a product of Denmark's tortured liberal political culture.

For despite its liberal immigration laws, most Danes are wary of immigrants. This week a poll showed 70 per cent in favour of tighter immigration laws.

Mr Helvig Petersen, a former leader of the Radical Liberal party who supports the country's liberal immigration policy, fears that a post-Maastricht election campaign could lead to an ugly debate about the numbers of Turks, Pakistanis, Yugoslavs - and Tamils. "We are a very homogeneous population," says Mr Petersen, "we are not used to black people coming in and we have experienced more difficulties than we would have liked."

As party leaders in Denmark struggled to resolve the political crisis yesterday, Mr Ivar Nørgaard, chairman of the Folketing's market committee which oversees the EC, stressed the continuity in Danish EC policy and played down the potential damage to his country's presidency.

The priorities were already

set, he said. Enlargement talks with Sweden, Austria, Finland and Norway are to start next month; all Danes are looking forward to being joined by their Scandinavian neighbours who will, they believe, redress the southern tilt caused by the accession of Greece, Portugal and Spain. Moreover, all parties emphasise the need for EC decision-making to be more transparent and to be devolved to the lowest level.

If the Social Democrat opposition, led by Mr Poul Nyrup Rasmussen, forms the next government, some change is certain. Initiatives to promote employment and to strengthen the environment will be given priority; free marketers such as Mrs Anne Birgitte Lundholt, industry minister, will doubtless go; and Mr Jacques Delors, president of the European Commission, will gain new allies in Copenhagen.

On Wednesday morning, Mr Delors met Mr Schlüter and Mr Uffe Ellemann-Jensen, the effervescent Danish foreign minister, to discuss the Danish president's plans for the next six months.

Once again Mr Ellemann-Jensen, who predicted confidently that Maastricht would be approved last year, showed a fatal attraction for forecasting. Asked about Maastricht, he asked what the fuss was about.

"I have every confidence that next week and next month the prime minister will still be Poul Schlüter and your truly [as foreign minister]," his EC colleagues will be hoping that Mr Ellemann-Jensen's confidence in the future of the Community will prove more reliable.

Bob Dickinson, marketing director at Miami's Carnival Cruise Lines, recently made a promotional video. To demonstrate on-board facilities, Carnival filmed an employee strolling through a cruise liner's atrium - it was seven storeys high.

The story illustrates the extent to which size dominates today's cruise-line industry. Carnival vessels, with names like Fantasy and Ecstasy, are essentially giant floating hotels, capable of housing 2,000 or more passengers. The surrounding ocean is almost incidental.

Only this week, Carnival - the world's largest cruise-line operator in terms of passengers carried - ordered a 95,000-ton ship from an Italian yard, at a cost of more than \$400m (£260m). The vessel, which could be in service within four years, will have 1,300 berths and sleep up to 4,400 people. In terms of gross tonnage, it will be 35 per cent bigger than any cruise ship ploughing the seas at present (the QE2, by comparison, is 67,000 tons).

But it is not just the ships that are changing. The notion that cruises are genteel holidays for the wealthy, full of Cowardesque figures sipping dry Martinis, has been interred. Today's cruise-line customer is more likely to be under 50, with an annual income of less than \$50,000. He or she is probably a sun-seeker, headed for the Caribbean, who will spend fewer than seven days on board.

At first glance, these changes seem to have enabled the cruise-line business to navigate the recession in better shape than most of the leisure industry. Since the 1980s began, airlines and hotels have faced shrinking

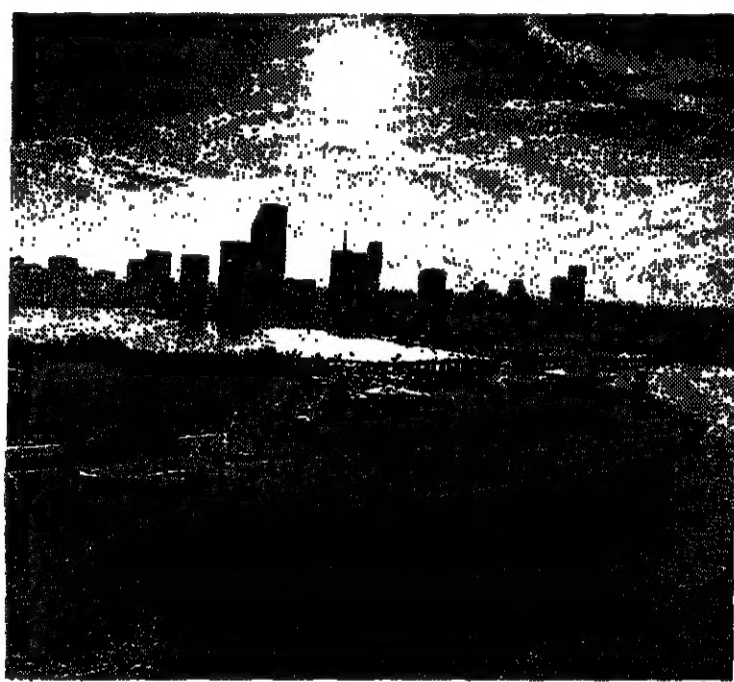
Nikki Tait and Michael Skapinker on the rise of size in the international cruise market

Grow, grow, grow your boat

demand and severe financial pressures.

In North America, easily the largest cruise market in the world, the New York-based Cruise Lines International Association estimates that 4.4m people took cruises last year. That was an increase on 1991 of 10 per cent - which is also the average annual growth rate registered over the past decade. Occupancy rates for North American cruise operators averaged 85-90 per cent last year; US airlines struggle to achieve figures in the high 60s.

But beneath the surface, prospects are murkier. While demand has increased, about one dozen new ships also came into operation in 1992, adding about 11,000 berths and increasing total capacity by about 12.5 per cent. This year, another five liners - including Carnival's giant Sensation, which is more than 850 feet long and capable of carrying 2,600 passengers - will also hit the high seas.



Sovereign of the Seas: size dominates today's cruise-line industry

The industry's optimists, like Mr Dickinson, think that demand will grow to match the capacity expansion. They point out that, even in recessionary times, cruise holidays have appeal. The cost of such holidays is fixed at the outset, because the fare includes meals and entertainment. By adding in all the extra expenses attached to a conventional, land-based vacation, it

may be cheaper to buy a cruise-line package than to stay at a hotel.

Others in the travel industry are less sanguine. Travel agents, for example, note that heavy discounting of published cruise-line fares has been prevalent for several

years and shows no signs of letting up. "Published prices mean absolutely nothing," says one Manhattan-based travel agent. "Every time you turn around, someone's bringing on a new ship - there's so much overcapacity at present."

ANNUAL GROWTH IN NORTH AMERICAN CRUISE MARKET, 1980-90 ('000)		
Passengers	% change	
1980	1,431	13.5
1981	1,455	1.7
1982	1,472	1.2
1983	1,698	15.2
1984	1,859	9.6
1985	2,122	15.8
1986	2,524	21.9
1987	2,675	6.6
1988	3,175	10.4
1989	3,286	3.5
1990	3,840	10.8

Average annual growth 1980-90: 9.8 per cent
Source: Cruise Lines International Association

High occupancy rates are achieved only through discounting: current offers, he says, include "two tickets for the price of one" and cuts of 30 or 40 per cent off brochure prices.

While it is true that Carnival has posted steady annual profit advances, half a dozen smaller companies are believed to have faced serious financial problems. A handful of companies, such as the Seattle-based Exploration Cruise Lines, have filed for bankruptcy protection.

Nevertheless, cruise-line owners claim that their "untapped" market is huge. CLIA, for example, cites market research showing that 60 per cent of North American adults "dream of taking a cruise", while

only between 5 and 7 per cent of the population has done so.

The non-American market also presents a large potential source of new customers. In the UK, the world's second biggest market, the Passenger Shipping Association estimates that about 200,000 people went on cruises last year. A flight to Florida, followed by a Caribbean cruise, was the most popular option.

While the number of UK residents taking cruises has more than doubled since the mid-1980s, it is still tiny compared with the 11m who take air-based package holidays abroad. In Germany, the next biggest market, the PSA estimates the number of cruise passengers is only about 175,000.

Although cruises are attracting younger UK customers, the industry concedes it still has work to do. Mr Richard Bowden-Doyle, marketing director of Lunn Poly, the UK's biggest travel agent chain, says: "The UK is a potentially lucrative market, but historically the British have seen cruising as a holiday for the blue-chip brigade." He argues that is changing. Although recent UK-wide Lunn Poly presentations on cruising failed to attract people in their 20s, potential customers in their 30s did turn up.

Bigger ships are central to the industry's attempt to extend the appeal of cruising. Operationally, large ships offer some basic economic

advantages. Senior crew numbers, for example, do not increase proportionately with a ship's size. Nor do promotional expenses.

But the main advantage comes on the marketing front. Many people still think of a cruise as too stuffy, Dickinson admits. "They expect a string quartet at four o'clock and a lecture on geranium-planting in the evening." The new jumbo ships quickly dispel this impression.

They are marketed as "fun ships", with casinos, spas, jogging tracks, even golf facilities. Cruise companies allow passengers to keep up with their favourite sports events. Norwegian Cruise Line and Royal Viking introduced big-screen showings of sports events last autumn, covering top league baseball and basketball games.

In answer to suggestions that travellers could grow weary of being confined in the company of several thousand other holidaymakers, Dickinson says defensively: "There are hotels with 2,000 rooms in Vegas."

The Cassandras are not convinced. Gerald Celeste, director of the Trends Research Institute in New York state, sees similarities with the US hotel industry, which overbuilt in the 1980s now lives with the burdens of oversupply.

Does he not buy the argument that demand is just waiting to be tapped? "The huge potential market," he says, "has to have the money to spend. Look at the recent Christmas shopping... those people are simply going into debt again. They just don't have the discretionary income." If he is right, cruise companies could find themselves becalmed.

LETTERS TO THE EDITOR

Number One Southwark Bridge, London SE1 9HL

Fax 071 873 5938. Letters transmitted should be clearly typed and not hand written. Please set fax for finest resolution

Iraqi instability no surprise if its coastline confiscated

From Dr Richard Long.

Sir, Many of Iraq's troubles stem from map-drawing at the end of the first world war. Saddam, more than any other of Iraq's rulers, has failed to come to grips with them. Much of the cartography was unfair. Worst of all was the Shatt al Arab boundary, which penalised the country which has almost no access to the sea while rewarding Iran, blessed with a more than ample coastline. This short-sighted arrangement was one of the chief causes of the Iraqi war with Iran in the 1980s.

It has been disheartening to learn that a similar mistake

has been made - apparently secretly - in recent days. You rightly hinted at it in your editorial ("Gulf war revisited", January 14) by speaking of the Umm Qasr port area as land which "the United Nations now recognises as Kuwaiti territory". It did not do so two days ago. Until then, it belonged to Iraq, as it had since the country made its first appearance as a state in modern times. Now the UN has given away a piece of Iraq.

I visited Umm Qasr port in the 1960s, when no one doubted that it was a possession, indeed a proud new creation, of Iraq. To cut it off from its hinterland seems clumsy. To confiscate part of the minuscule coastline of a country which went to war two years ago partly for the lack of an adequate one is gratuitously to sow seeds of future instability where there are quite enough already. To leave the new border unprotected has been to invite (entrap?) the Iraqis into crossing it to retrieve their equipment. Is it any wonder that they have so lost control of themselves in recent days as to provoke the allies into again bombing their long-suffering country.

Richard Long,
33 Wycombe Court,
Newcastle upon Tyne NE7 7BG

BBC licence fee is no more than flat-rate, inequitable tax

From Mr Alan McCartney.

Sir, It seems to me that the proper use of licence systems is to regulate and tax minority pursuits. The BBC "licence fee" is in reality a flat-rate tax of £90 on all householders regardless of circumstance and, as such, seems unique. Taxpayers are not asked to pay a flat-rate tax to support the armed forces or the health service, why should the BBC be different? In using the words "rough justice", David Robertson (Letters, January 13) clearly has some feel for the basic inequity in the system, but I suspect he has no concept of what a huge (hugely unfair?) sum £90 represents to low-income people, who might be totally dependent on television as their sole source of entertainment.

The system, far from offering justice in any form, seems to me to be almost immoral. The time for change is long overdue and there seem to be two very reasonable alternatives.

First, direct grant from government. Apart from the fairness that would ensue, think of the savings to be made in the costs of collecting and administering the licence system.

Second, advertising (although I suspect the commercial television companies would regard a new powerful competitor as "rough" if not "justice"). Why shouldn't the BBC be subject to normal commercial pressures and financial discipline? The usual response to such suggestions is hysteria about adverse effects on so-called programme quality. But is *Coronation Street* worse than *Eldorado*?

Alan McCartney,
35a Wrotesley Road,
Wolverhampton WV6 8SG

Glad to leave darkest Britain

From Mr Alfred P Masondo.

Sir, I read with interest the article "Africa: Frustrating but worthwhile" by "practical traveller" Nicholas Woodworth (January 9). As he found so many "frustrations" travelling on the so-called "dark continent", I would be very interested in knowing if it is indeed worthwhile for British tourists to travel in Africa.

Bearing in mind the many frustrations I have faced since I came to Britain, I will fortunately be leaving soon. I think the first thing I will do when I do return home to the "dark continent" is write an article entitled: "Britain - Frustrating and not worth it!"

Tougher business entry regulation would give stability and strength

From Mr Duncan Heenan.

Sir, The government and other optimists often quote the number of new company registrations as a sign of growth and regeneration of industry. This ignores the fact that very many of these are "phoenix" companies, set up to acquire the assets (but not liabilities) of bust businesses, often owned by the same people who owned the previous that this process is evidence of a deliberate "financial cleansing". I am sure we have all seen it.

Anyone with even 'O' level economics will know that a reasonable level of profits can only be maintained in any industry if there are barriers to entry sufficient to keep irresponsible traders out. UK com-

pany and insolvency law does nothing to help in this respect, and while it continues to allow the recycling of assets in fragmented and over competitive industries, it will delay the recovery of profits and the return of investor confidence.

I suggest that stricter criteria are needed for those starting in business and who wish to enjoy limited liability, than the £50 or so it takes to buy an off-the-shelf company. In the long run, effective measures would lead to greater stability and industrial strength in many sectors.

A wilder swing, and luckily up

From Mr Anthony Walsh.

Sir, In the article "Serious Money" (January 9) a way of beating the Dow developed by a US fund manager, Michael O'Higgins, was described. This involved picking the five stocks with the highest yields and lowest share prices from the Dow's 30 constituents and was reported as having produced annual returns (1973-1991) of 18.4 per cent versus 10.4 per cent from the Dow Jones.

When applied to the FT-30 Index for the period 1979-1992 it showed returns of 23 per cent vs 17.5 per cent from the All Share.

Of course the explanation is that with a portfolio of only five stocks the amount of diversifiable risk is still significant, ie the higher returns are effectively the reward for higher risk, and the combined returns of the stocks will swing more wildly than that of the larger basket of the full Dow Jones or the All Share index.

Luckily they swung upwards so that Michael O'Higgins could write his book and Philip Coggan could write his article!

TÜRK EKONOMİ BANKASI A.Ş.

U.S. \$40,000,000
Term Loan Facility

Arranger:
Chase Investment Bank Limited

Lead Managers:
The Arab Investment Company S.A.A. ("TAIC")
Banque Paribas du Commerce Extérieur
Barclays Bank PLC
Chase Investment Bank Limited
Creditanstalt-Bankverein
National Bank of Kuwait SAK
Habsbank Nederland
Standard Chartered Bank
WestLB Group

Manager:
The Dai-ichi Kangyo Bank, Limited

Participants:
Commonwealth Bank of Australia
Lampek International S.A.
The Sakura Bank, Limited - London Branch
Banco Español de Crédito S.A., London Branch

Agent:
The Chase Manhattan Bank, N.A.

September 1992



INTERNATIONAL COMPANIES AND FINANCE

Wolters Kluwer acquires leading Swedish publisher

By Ronald van de Krol in Amsterdam and Christopher Brown-Humes in Stockholm

WOLTERS Kluwer, the Dutch publisher, has acquired Liber, Sweden's second largest publishing house, from a group of Swedish institutional shareholders, in a move designed partly to serve as a springboard for expansion into other Scandinavian markets.

The acquisition will be paid for in cash but no further financial details were disclosed yesterday. However, Procordia, the food and pharmaceuticals group which owned 28 per cent of Liber, said it would make a capital gain of SKr350m (\$48.3m) on its investment, while Nordic Capital, with 20 per cent, said its capital gain would be SKr200m. Other Swedish institutions sold

stakes of 20 per cent or less. Liber, which generated 1992 sales of SKr1.3bn and employs a workforce of 850, is estimated to have up to 60 per cent of Sweden's textbook market. It is also active in legal and information publishing.

The acquisition is the first by Wolters Kluwer in Scandinavia and gives it access to its eighth national market in Europe. The purchase will also mean that non-Dutch activities represent around 63 per cent of Wolters Kluwer's business, surpassing a target of 60 per cent which the company had originally hoped to achieve in 1994.

Wolters Kluwer, which is also active in the US, had sales of F12.3bn (\$1.3bn) in 1992.

Mr Cornelis Brakel, a member of Wolters Kluwer's board, described the Liber deal as a "springboard for possible activities

and acquisitions in Norway, Finland and Denmark."

He said that the Swedish company could reach other Wolters Kluwer companies about their expertise in educational publishing, while Liber itself would benefit from the Dutch group's legal and fiscal publishing experience in the Netherlands, Belgium, France and Germany.

Wolters Kluwer remained interested in further acquisitions, particularly in countries that will eventually join the European Community, he said.

Wessanen, the Dutch foods group, is negotiating to buy Fastfood International (FFI), which has a F1.65bn turnover and employs 550. FFI makes and markets frozen foods, mainly for sale in the Netherlands, Belgium and Germany.

Molson sale nets Foster A\$50m

By Kevin Brown in Sydney

FOSTER'S Brewing Group will realise a pre-tax profit of about A\$50m (US\$33.5m) on the sale of a 10 per cent stake in Molson Breweries, its Canadian joint venture with Molson Companies of Toronto.

The sale, announced in North America on Thursday, is part of a three-way deal between Australia-based Foster's, Molson Companies and Miller Brewing, the Milwaukee beer company owned by the Philip Morris food and tobacco group.

Foster's said it would receive

C\$169m (A\$192m) for the 10 per cent stake in Molson Breweries. Miller is buying a further 10 per cent stake from Molson Companies, leaving the joint venture partners with 40 per cent each.

The deal gives Miller the marketing and distribution rights to both Foster's and Molson beers in the US. Foster's said Miller had undertaken to increase marketing efforts for both companies' beers.

Mr Ted Kunkel, Foster's chief executive, said the deal was a response to the North American Free Trade Agreement (Nafta), which liberalises

trade between the US, Canada and Mexico.

He said he would be "disappointed" if the deal failed to bring about a "significant" increase in Foster's US market share of about 1 per cent.

Mr Kunkel said the deal would reduce Molson's contribution to Foster's net profits in the short term, but he was confident that royalty payments from Miller would exceed the lost profits in the medium term. Foster's is attempting to restructure itself as a pure brewing operation, but has been unable to dispose of many non-brewing assets.

Earnings rise at Adidas as home sales fall

ADIDAS, the German sports goods maker majority owned by Bernard Tapie Finance of France, said its domestic earnings improved in 1992, despite lower domestic sales, Reuter reports.

A spokesman for Adidas confirmed reports that domestic sales fell 19 per cent to DM620m (\$390m) for 1992, while domestic earnings rose, the company's share of the German sports shoe market declined by 6 per cent to around 35 per cent, the spokesman said.

He gave no further details of the 1992 performance ahead of publication of the results statement, scheduled for February. For 1991 the Adidas group made a net profit of DM50m, against DM15m a year earlier.

Pacific BBA stands firm on bid price for Siddons

By Kevin Brown

PACIFIC BBA, a subsidiary of BBA, the UK toolmaker, yesterday said it would not increase its A\$88m (US\$59m) takeover offer for Siddons Ramset, the Australian hardware and fasteners group.

The announcement leaves the field clear for a rival bid by W.A. Deutscher, an Australian subsidiary of Illinois Tool Works, the US engineering group, which has offered shareholders A\$94m.

Mr Graham Krahe, Pacific BBA managing director, said the company's A\$1.81 a share offer would remain open, but would not be increased or extended beyond the existing deadline of January 27.

Mr Krahe said the offer was "good for the shareholders of both companies, but

any increase would not necessarily be in the best interests of Pacific BBA shareholders."

He said Pacific BBA intended to pursue other expansion plans with an Asian focus. "It is important that we allocate our resources where we expect to gain the best long-term benefits," he said.

The W.A. Deutscher offer is conditional on 90 per cent acceptance by shareholders. It has been rejected by Siddons' board.

Independent directors of Arnotts, the Australian biscuit maker, yesterday advised shareholders to reject the increased takeover offer from Campbell Soup. The US foods group has raised its bid from A\$8.50 a share to A\$9.50, valuing Arnotts at just under A\$1.3bn.

Charge to give Dow Chemical loss for year

By Karen Zagor in New York

DOW Chemical, the second biggest US chemicals group, yesterday warned of a disappointing fourth quarter and unveiled a \$430m pre-tax charge against 1992 earnings.

The charges are to cover restructuring moves, including job cuts and plant closures.

Mr Enrique Filla, Dow executive vice president, said: "Business conditions in basic chemicals and plastics continue to remain disappointing, particularly in Europe where margins are negative."

This softness will be reflected in fourth-quarter results, "which we now expect to be weaker than previously expected", he said.

Like much of corporate America, Dow is also adopting new accounting standards. It now expects to post a loss of \$1.70 to \$1.90 a share for the whole of 1992.

In 1991, Dow took special pre-tax charges of \$370m which led to a fourth-quarter loss of \$94m, or 35 cents a share. For the whole of 1991, Dow earned \$335m or \$3.46 a share.

Analysts expect group 1992 fourth-quarter earnings from continuing operations of about 40 cents a share.

Dow said its 1992 special charges reflect asset write-offs and write-downs, plant shutdowns, divestitures and the consolidation of a variety of business activities globally. Costs related to workforce reductions have also been included in the charges.

The company recently announced a management shake-up aimed at creating more flexibility in the management structure and improving international competitiveness.

Henry Birks may seek protection

HENRY BIRKS, Canada's oldest jewellery and giftware chain, is expected to seek protection from creditors while it works out a financial restructuring with outside investors, writes Robert Gibbons from Montreal.

Birks, with 120 retail outlets across Canada and a manufacturing operation, has already pulled out of the US and closed many Canadian stores. The company is understood to have nearly C\$100m (\$78m) of borrowings.

The recession is mainly responsible for Birks' problems.

Escada teeters on solvency catwalk

David Waller on the fashion house's struggle for survival in the 1990s

ESCADA clothes are still fashionable but shares in the German company are anything but.

Since the beginning of the year, Escada's ordinary shares have tumbled by more than 20 per cent and at yesterday's closing price of DM108 (\$65.69) they stand at about an eighth of last year's high point of DM855.

Escada has denounced the share collapse as unjustified and rebutted widespread rumours that it was on the verge of insolvency.

However, last week the company confirmed that it is in serious financial difficulties. A third of its equity is to be wiped out as a result of operating losses in the year ended October, it said.

Operating losses are likely to be in the region of DM100m, following net profits of DM45m in 1990-1991 and DM53.7m the year before. Escada said it would have to sell one of its major subsidiaries in a bid to plug the hole in its balance sheet.

It did not name the subsidiary, but the most likely candidate is the 80 per cent owned St John Knits, the high quality knitwear business bought in 1989. Analysts calculate that the sale of the stake in the California-based company will raise DM20m, compared to a purchase price of about DM30m.

Escada, founded by the late Mrs Margaretha Ley (she died in June last year) and her husband Wolfgang in 1976, was one of the great success stories of German business in the mid to late 1980s.

It was enthusiastically received when it came to the stock market in 1988 and between 1989 to 1991 its sales doubled to DM1.36bn, reflecting a sequence of acquisitions designed to supplement



Margaretha Ley: designed a German business success story

the core high price labels Escada and Laurel.

At the heart of the company's success were the clothes designed by Mrs Ley herself and marketed under the Escada label. Flashy, bright, energetic, colourful and expensive, they were at one with the spirit of the 1980s, redolent of self-confidence and success.

The spirit of the age has changed, and the St John Knits clothes - expensive but subdued - are more attuned to a time when the seriously rich do not want to flaunt their wealth.

It is a measure of the company's difficulties that this profitable and successful business is now up for sale.

Ironically though, it is not a falling away in demand for the Escada label which has led to

the current crisis. Analysts say that such clothes have not lost their cachet with women for whom money is no object and the brand is still highly sought after.

It accounted for 41 per cent of group turnover in 1991: details for 1992 are not yet available although the company said last week that group turnover held firm at 1991 levels despite the downturn.

As with many companies in the UK and the US, Escada owes its current troubles as much to the after-effects of over-expansion in better days as the downturn itself.

In 1987 it made its first acquisition with the purchase of Schneberger followed by Kemper, a high-quality coat-

maker, a year later. It also bought the licence to distribute Cerruti in Germany plus the stake in St John Knits. These deals were followed by the purchase of Blusen Neumann in 1991, a company which makes inexpensive blouses and every-day clothes.

At the same time, Escada moved into retail, opening a network of boutiques to sell its top products. These shops are thought to contribute DM50m to sales.

In 1990-1991, profits fell by 23 per cent, reflecting reduced sales as recession took effect, especially in the US. In the latter part of the last financial year, the downturn finally caught up with the domestic German market, taking management by surprise as the company said last week. The more price-sensitive brands have been particularly badly hit, analysts believe.

Profits were hit by a simultaneous "cost explosion", as the company struggled to integrate its acquisitions. A new logistics centre at Pöding near Munich will open this summer, two years later than planned.

The company took steps to remedy the problems - in the last six months appointing two new board members to look after distribution and organisation, and a thorough cost-reduction programme is underway - but this is not enough, as last week's statement showed.

Further details will be available in a shareholders' circular later this month. It is possible that the company will be able to report a profit for the current year if it holds St John Knits over to its books to the year-end. In 1993-1994, analysts think the company will be in the red again.

Thus - despite the huge fall in the share price - it could be well into 1994 before the shares once again become fashionable.

Spectra-Physics to sell US subsidiary for \$69m

By Christopher Brown-Humes in Stockholm

SWEDEN'S Spectra-Physics AB is selling one of its US subsidiaries for \$69m in a move aimed at reducing group borrowings and focusing more on core businesses.

The purchaser of Spectra-Physics Analytical is the Massachusetts-based group, Thermo Instrument Systems, a specialist in making instruments which are used to detect and monitor air pollution, radioactivity and other substances.

The sale comes two and a half years after Pharos, as Spectra-Physics was formerly

known, acquired the US group Spectra-Physics and more than doubled its size.

The group became heavily indebted following the purchase, and a big outstanding dollar loan has increased the Swedish currency's effective devaluation.

Spectra-Physics, which is 80 per cent owned by Nobel Industries, specialises in laser technology, microwave technology and industrial measurements. The unit being sold manufactures and sells liquid chromatography analytical instruments and data systems used in quality testing and research laboratories.

Westinghouse Electric and GE Capital talks fail

By Martin Dickson in New York

WESTINGHOUSE Electric and GE Capital have terminated talks which might have led to GE Capital buying some or all of the loan portfolio of Westinghouse's troubled financial services unit.

Westinghouse's shares fell on yesterday morning's news, to stand at \$13.4, down 1.4% at midday, since Wall Street had regarded a sale to GE as a quick and tidy way for Westinghouse to shed the problem.

Neither party revealed why they failed to agree, but Wall Street assumed it revolved

around price. Westinghouse was believed have demanded book value for the assets, which it put at \$4.1bn on September 30.

Westinghouse, which has been plagued by property loan problems for two years, decided last November to get out of financial services, though it said then it could take three years to sell its assets.

Failure of the negotiations means Westinghouse is now likely to sell the portfolio piecemeal, since there are few other companies with GE's muscle. This is the second time talks between the companies have come to nothing.

WORLD COMMODITIES PRICES

WEEKLY PRICE CHANGES	Latest prices	Change on week	Year 1992/93	High 1992/93	Low 1992/93
Gold per troy oz.	\$327.55	-1.4	\$356.35	\$356.40	\$327.35
Silver per troy oz.	\$236.50	-1.1	\$242.90	\$249.50	\$187.50
Aluminium 99.7% (cash)	\$1215	+30.5	\$1198	\$1339.0	\$1105.5
Copper Grade A (cash)	\$1446.5	-93.5	\$1510	\$1561.0	\$1285.0
Lead (cash)	\$203.5	-6.5	\$207.5	\$208.5	\$193.5
Nickel (cash)	\$2507.5	-36.5	\$2544.0	\$2544.0	\$2467.5
Zinc SHG (cash)	\$1082.5	+6.5	\$1161	\$1167.5	\$1018.0
Tin (cash)	\$6645	-40	\$6540	\$7115.0	\$5425.0
Cocoa Futures (May)	\$728	+25	\$772	\$751	\$523
Coffee Futures (Mar)	\$875	+25	\$853	\$1039	\$676
Sugar (LDP Raw)	\$215.6	+11	\$213	\$272.6	\$193
Barley Futures (Mar)	\$133	-0.25	\$138.0	\$138.0	\$106.0
Wheat Futures (Mar)	\$137.40	+1	\$127.80	\$138.0	\$109.55
Cotton Outlook A Index	\$7.55c	+0.8	\$9.05c	\$5.90c	\$2.25c
Wool (64s Super)	\$38p	-11	\$415p	\$40p	\$34p
Oil (Brent Blend)	\$17.50x		\$18.075	\$21.30	\$17.00

For tonnes unless otherwise stated (Unquoted p-per-oz, c-cents lb, m-Mar).

London Markets

SPOT MARKETS	Latest prices	Change on week
Cruel oil (per barrel FOB/Feb)	+	-
Dubai	\$15.35-5.40	+ 27.5
Brent Blend (dated)	\$17.30-7.40	+ 0.4
Brent Blend (Mar)	\$17.55-7.40	+ 27.5
WTI (1 pm est)	\$19.10-9.15	

Oil products

(NWE prompt delivery per tonne CIF)	Latest prices	Change on week
Premium Gasoline	\$185-187	+ 2
Gas Oil	\$171-172	+ 2
Heavy Fuel Oil	\$71-73	
Naphtha	\$181-184	+ 4.5

Other

	Latest prices	Change on week
Gold (per troy oz)	\$327.55	+ 0.3
Silver (per troy oz)	\$236.50	- 3
Platinum (per troy oz)	\$2507.5	+ 2.35
Palladium (per troy oz)	\$1082.5	- 4.15

Copper (US Producer)

	Latest prices	Change on week
Lead (US Producer)	\$4.63c	
Tin (Kuala Lumpur market)	1475c	- 0.08
Tin (New York)	20.55c	
Zinc (US Prime Western)	62.0c	

Cattle (live weight)

	Latest prices	Change on week
Sheep (live weight)	\$118.75p	+ 0.12
Pigs (live weight)	\$79.50p	+ 0.31

Lard (live weight)

	Latest prices	Change on week
London daily sugar (raw)	\$215.6	+ 2.4
London daily sugar (white)	\$226.5	+ 2.5
Tate and Lyle export price	\$249.0	+ 2

Barley (English feed)

	Latest prices	Change on week
Maize (US No. 2 yellow)	\$136.5	+ 1
Wheat (US Dark Northern)	Unq	

Rubber (Feb)

	Latest prices	Change on week
Rubber (Mar)	\$4.75p	+ 0.5
Rubber (LRS No. 1 Jan)	\$5.25p	+ 1.5

Cocoa (US)

	Latest prices	Change on week
Cocoa (US)	\$457.5p	+ 0.5
Cocoa (Philippines)	\$390	- 2.5
Soyabean (US)	\$1173.5	+ 0.5
Cotton "A" index	\$7.55c	+ 0.8

A 6 tonne unless otherwise stated, p-per-oz, c-cents lb, m-Mar, w-Wed, th-Thu, f-Fri, s-Sat, su-Sun, u-unknown.

SPICES

	Latest prices	Change on week
Madagascar cinnamon	\$2.50	+ 0.5
Madagascar cloves	\$7.75	+ 0.5

GODDARD - London FOX

	Close	Previous	High/Low
Mar 713	714	716	708
Mar 728	729	730	727
Mar 741	741	742	737
Mar 754	754	755	750
Mar 767	767	768	763
Mar 780	780	781	776
Mar 793	793	794	789
Mar 806	806	807	802
Mar 819	819	820	815
Mar 832	832	833	828
Mar 845	845	846	841

Turnover: 2259 (4885) lots of 10 tonnes

ICCO indicator prices (US cents per pound) for Jan 14: Comp. daily 61.61 (\$1.64) 15 day average 62.22 (\$2.22)

COFFEE - London FOX

	Close	Previous	High/Low
Jan 987	1014	998	983
Mar 975	984	981	980
May 951	968	965	960
Jul 937	958	955	951
Sep 923	948	945	940
Nov 909	928	925	920

Turnover: 3157 (4473) lots of 5 tonnes

ICCO indicator prices (US cents per pound) for Jan 14: Comp. daily 61.61 (\$1.64) 15 day average 62.22 (\$2.22)

POTATOES - London FOX

	Close	Previous	High/Low
Apr 92.5	92.5	92.5	92.5
Apr 95.0	95.0	95.0	95.0
Apr 97.5	97.5	97.5	97.5

Turnover: 25 (11) lots of 30 tonnes

SOYABEANS - London FOX

	Close	Previous	High/Low
Apr 152.00	152.00	152.00	151.00
Jun 141.00	141.00	141.00	141.00

Turnover: 35 (10) lots of 20 tonnes

FRESH - London FOX

	Close	Previous	High/Low
Jan 1280	1281	1285	1279
Feb 1270	1276	1274	1268
Mar 1265	1268	1275	1262
Apr 1258	1271	1275	1268
May 1254	1260	1275	1258

Turnover: 118 (135)

GRAINS - London FOX

	Close	Previous	High/Low
Jan 133.00	133.00	133.00	133.00
Mar 137.00	137.00	137.00	137.00
May 139.00	139.00	139.00	139.00
Sep 108.25	108.25	108.25	108.25
Nov 110.55	110.55	110.55	110.55
Jan 114.00	114.00	114.00	113.65

Barley (Close)

	Close	Previous	High/Low
Mar 133.00	132.75	133.00	134.00
May 134.00	134.00	134.00	134.00
Sep 107.00	107.00	107.00	107.00
Nov 108.55	108.55	108.55	108.55
Jan 113.00	113.00	113.00	113.00

Turnover: 314 (217), Barley 83 (53)

Turnover: 105 (100) tonnes

PSES - London FOX (Cash Settlement) p/oz

	Close	Previous	High/Low
Jan 104.0	103.5	103.5	103.5
Apr 104.0	103.0	103.0	103.0
Jul 104.0	103.0	103.0	103.0
Aug 104.0	103.0	103.0	103.0

Turnover: 12 (28) lots of 3,250 kg

CURRENCIES, MONEY AND CAPITAL MARKETS

FOREIGN EXCHANGES

Peace breaks out in ERM

THE DANISH krone, Irish punt and French franc appeared well underpinned against the D-Mark yesterday, as tensions inside the European exchange rate mechanism continued to dissipate, writes James Blyth.

At the end of a comparatively mild week for the ERM, the three currencies at the bottom of the system's grid appeared to be in no danger of an imminent devaluation, despite political uncertainty in their respective countries.

Mr Poul Schlüter's resignation as prime minister of Denmark had no impact at all on the krone which was at Dkr3.8508 against the D-Mark yesterday afternoon, stronger than Thursday night's London close of around Dkr3.846.

The Irish punt remained above its floor against the Dutch guilder and Belgian franc - two of the strongest ERM currencies - in spite of a drastic cut in money market rates by the Irish authorities

this week. The French franc gained more strength against the D-Mark, rising above the FF3.38 level against the German currency, its highest level since November 20.

At Wednesday's meeting in Frankfurt of the privately organised G7 Council, central bankers of countries still in the ERM claimed that the four-month crisis in the European Monetary System was past its peak.

But there are reasons for caution. First, interest rates in several European countries, including France, Denmark and Ireland, remain at high levels.

There were suggestions this week that if the Bank of France does not bring money market rates down from their level of 11 1/2 per cent, the higher costs incurred by commercial banks may be passed to the retail sector in the next

two weeks. The Bundesbank will be under more pressure to shave money market rates at its council meetings on 31 January and 4 February. If it fails to respond, the pressures on weak ERM currencies could return.

There may also be unfinished business in Scandinavia, whose currencies can have an impact on ERM trading.

The week has been marked by a sharp fall in the value of the Swedish krona, with the central bank intervening in support of the currency.

The Swedish authorities recently announced that budget deficit for 1993/4 will be 11 per cent of GDP, and another fall for the krona cannot be ruled out.

£ IN NEW YORK

	Jan 15	Jan 16	Jan 17
1 month	1.5900-1.5900	1.5900-1.5900	1.5900-1.5900
3 months	1.5850-1.5850	1.5850-1.5850	1.5850-1.5850
6 months	1.5800-1.5800	1.5800-1.5800	1.5800-1.5800
12 months	1.5750-1.5750	1.5750-1.5750	1.5750-1.5750

Forward premiums and discounts apply to the US dollar

STERLING INDEX

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

CURRENCY RATES

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

CURRENCY MOVEMENTS

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

OTHER CURRENCIES

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

FORWARD RATES

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

MONEY MARKETS

Big sterling shortage

CASH RATES in the sterling money market were slightly firmer yesterday after the Bank of England announced a large shortage at the start of its money market operations, writes James Blyth.

The shortage of £2.05bn helped to quash any lingering expectations that the UK authorities might be planning a cut in base rates to coincide with the retail prices index for December.

UK clearing bank base lending rate 7 per cent from November 13, 1992

The large shortage led to a sharp jump in the cost of borrowing money overnight in the wholesale market, with the rate going as high as 9 per cent.

According to one dealer, this left a few people scrambling desperately for funds. "A few people had got used to easy money, were short of funds and found themselves having to borrow at higher rates than they had expected," he said.

As it happened, the RPI figures were generally in line with expectations, although there was some slight disappointment at the increase in the underlying rate to 3.7 per cent.

This factor, and the tighter liquidity, helped to push 3 month money up by about 1

EMS EUROPEAN CURRENCY UNIT RATES

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

DOLLAR SPOT - FORWARD AGAINST THE DOLLAR

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

EURO-CURRENCY INTEREST RATES

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

EXCHANGE CROSS RATES

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

FT LONDON INTERBANK FIXING

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

MONEY RATES

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

LONDON MONEY RATES

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

FINANCIAL FUTURES AND OPTIONS

LIFE LONG FUTURES OPTIONS

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

LIFE LONG FUTURES OPTIONS

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

LIFE LONG FUTURES OPTIONS

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

LIFE LONG FUTURES OPTIONS

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

LIFE LONG FUTURES OPTIONS

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

LIFE LONG FUTURES OPTIONS

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

LIFE LONG FUTURES OPTIONS

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

LIFE LONG FUTURES OPTIONS

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

LIFE LONG FUTURES OPTIONS

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

LIFE LONG FUTURES OPTIONS

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

LIFE LONG FUTURES OPTIONS

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

LIFE LONG FUTURES OPTIONS

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

LIFE LONG FUTURES OPTIONS

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

LIFE LONG FUTURES OPTIONS

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

LIFE LONG FUTURES OPTIONS

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

LIFE LONG FUTURES OPTIONS

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

LIFE LONG FUTURES OPTIONS

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

MONEY MARKET

Trust Funds

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

MONEY MARKET

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

MONEY MARKET

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

MONEY MARKET

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

MONEY MARKET

	Jan 15	Jan 16	Jan 17
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00
100	100.00	100.00	100.00

MONEY MARKET

LONDON STOCK EXCHANGE Dealings

Details of business done shown below have been taken with consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission.

Details relate to those securities not included in the FT Share Information Services.

Unless otherwise indicated prices are in pence. The prices are those at which the business was done in the 24 hours up to 5 pm on Thursday and settled through the Stock Exchange Telford system, they are not in order of execution but in ascending order which denotes the day's highest and lowest deal prices.

For those securities in which no business was recorded in Thursday's Official List the latest recorded business in the four previous days is given with the relevant date.

Rule 55(2) stocks are not regulated by the International Stock Exchange of the United Kingdom and the Republic of Ireland Ltd.

† Bargains at special prices. ‡ Bargains done the previous day.

British Funds, etc

No. of shares indicated 2254

Trustee 12% Sub 2000/01 - £125

Trustee 10% Sub 2000 - £114

Guaranteed Asset Finance Corp PLC

11% Sub 2000 - £114

12% Sub 2000 - £114

12% Sub 2000 - £114

Corporation and County

Stocks. No. of shares indicated 1

London County 2% Cons Stk 1982/83

London County 2% Cons Stk 1982/83

London County 2% Cons Stk 1982/83

London County 2% Cons Stk 1982/83

London County 2% Cons Stk 1982/83

UK Public Boards

No. of shares indicated 5

Agricultural Mortgage Corp PLC 5% Deb

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

Foreign Stocks, Bonds, etc

(coupons payable in London). No. of shares indicated 136

Hungary (Republic of) 7% Sub 1982/83

1982 - £101

1982 - £101

1982 - £101

1982 - £101

1982 - £101

Agricultural Mortgage Corp PLC

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

British Telecom PLC

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

British Telecom PLC

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

British Telecom PLC

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

British Telecom PLC

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

British Telecom PLC

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

British Telecom PLC

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

British Telecom PLC

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

British Telecom PLC

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

British Telecom PLC

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

British Telecom PLC

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

British Telecom PLC

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

11% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

10% Sub 1982 - £101

**AUTHORISED
UNIT TRUSTS**[illegible][illegible][illegible][illegible][illegible][illegible]

Windsor	44	40.43	44.27	43.01	+0.26
Scotiabank	54	216.49	212.42	212.42	+0.00
Bank of Montreal	55	212.42	212.42	212.42	+0.00
Bank of Nova Scotia	56	207.44	209.11	213.00	+0.00
Bank of the North	57	218.43	218.43	218.43	+0.00
Bank of the West	58	140.43	140.43	140.43	+0.00
Bank of the South	59	140.43	140.43	140.43	+0.00
Bank of the East	60	140.43	140.43	140.43	+0.00
Bank of the West	61	140.43	140.43	140.43	+0.00
Bank of the South	62	140.43	140.43	140.43	+0.00
Bank of the East	63	140.43	140.43	140.43	+0.00
Bank of the West	64	140.43	140.43	140.43	+0.00
Bank of the South	65	140.43	140.43	140.43	+0.00
Bank of the East	66	140.43	140.43	140.43	+0.00
Bank of the West	67	140.43	140.43	140.43	+0.00
Bank of the South	68	140.43	140.43	140.43	+0.00
Bank of the East	69	140.43	140.43	140.43	+0.00
Bank of the West	70	140.43	140.43	140.43	+0.00
Bank of the South	71	140.43	140.43	140.43	+0.00
Bank of the East	72	140.43	140.43	140.43	+0.00
Bank of the West	73	140.43	140.43	140.43	+0.00
Bank of the South	74	140.43	140.43	140.43	+0.00
Bank of the East	75	140.43	140.43	140.43	+0.00
Bank of the West	76	140.43	140.43	140.43	+0.00
Bank of the South	77	140.43	140.43	140.43	+0.00
Bank of the East	78	140.43	140.43	140.43	+0.00
Bank of the West	79	140.43	140.43	140.43	+0.00
Bank of the South	80	140.43	140.43	140.43	+0.00
Bank of the East	81	140.43	140.43	140.43	+0.00
Bank of the West	82	140.43	140.43	140.43	+0.00
Bank of the South	83	140.43	140.43	140.43	+0.00
Bank of the East	84	140.43	140.43	140.43	+0.00
Bank of the West	85	140.43	140.43	140.43	+0.00
Bank of the South	86	140.43	140.43	140.43	+0.00
Bank of the East	87	140.43	140.43	140.43	+0.00
Bank of the West	88	140.43	140.43	140.43	+0.00
Bank of the South	89	140.43	140.43	140.43	+0.00
Bank of the East	90	140.43	140.43	140.43	+0.00
Bank of the West	91	140.43	140.43	140.43	+0.00
Bank of the South	92	140.43	140.43	140.43	+0.00
Bank of the East	93	140.43	140.43	140.43	+0.00
Bank of the West	94	140.43	140.43	140.43	+0.00
Bank of the South	95	140.43	140.43	140.43	+0.00
Bank of the East	96	140.43	140.43	140.43	+0.00
Bank of the West	97	140.43	140.43	140.43	+0.00
Bank of the South	98	140.43	140.43	140.43	+0.00
Bank of the East	99	140.43	140.43	140.43	+0.00
Bank of the West	100	140.43	140.43	140.43	+0.00

Global Funds	12/29	1/5	1/12	1/19	1/26	2/2	2/9	2/16	2/23	2/29	3/6	3/13	3/20	3/27	4/3	4/10	4/17	4/24	4/30	5/7	5/14	5/21	5/28	6/4	6/11	6/18	6/25	7/2	7/9	7/16	7/23	7/30	8/6	8/13	8/20	8/27	9/3	9/10	9/17	9/24	10/1	10/8	10/15	10/22	10/29	11/5	11/12	11/19	11/26	12/3	12/10	12/17	12/24	12/31															
American	125.77	127.11	132.11	134.25	135.11	137.11	138.11	139.11	140.11	141.11	142.11	143.11	144.11	145.11	146.11	147.11	148.11	149.11	150.11	151.11	152.11	153.11	154.11	155.11	156.11	157.11	158.11	159.11	160.11	161.11	162.11	163.11	164.11	165.11	166.11	167.11	168.11	169.11	170.11	171.11	172.11	173.11	174.11	175.11	176.11	177.11	178.11	179.11	180.11	181.11	182.11	183.11	184.11	185.11	186.11	187.11	188.11	189.11	190.11	191.11	192.11	193.11	194.11	195.11	196.11	197.11	198.11	199.11	200.11
American Intl	125.77	127.11	132.11	134.25	135.11	137.11	138.11	139.11	140.11	141.11	142.11	143.11	144.11	145.11	146.11	147.11	148.11	149.11	150.11	151.11	152.11	153.11	154.11	155.11	156.11	157.11	158.11	159.11	160.11	161.11	162.11	163.11	164.11	165.11	166.11	167.11	168.11	169.11	170.11	171.11	172.11	173.11	174.11	175.11	176.11	177.11	178.11	179.11	180.11	181.11	182.11	183.11	184.11	185.11	186.11	187.11	188.11	189.11	190.11	191.11	192.11	193.11	194.11	195.11	196.11	197.11	198.11	199.11	200.11
Amsterdam	125.77	127.11	132.11	134.25	135.11	137.11	138.11	139.11	140.11	141.11	142.11	143.11	144.11	145.11	146.11	147.11	148.11	149.11	150.11	151.11	152.11	153.11	154.11	155.11	156.11	157.11	158.11	159.11	160.11	161.11	162.11	163.11	164.11	165.11	166.11	167.11	168.11	169.11	170.11	171.11	172.11	173.11	174.11	175.11	176.11	177.11	178.11	179.11	180.11	181.11	182.11	183.11	184.11	185.11	186.11	187.11	188.11	189.11	190.11	191.11	192.11	193.11	194.11	195.11	196.11	197.11	198.11	199.11	200.11
Amsterdam Intl	125.77	127.11	132.11	134.25	135.11	137.11	138.11	139.11	140.11	141.11	142.11	143.11	144.11	145.11	146.11	147.11	148.11	149.11	150.11	151.11	152.11	153.11	154.11	155.11	156.11	157.11	158.11	159.11	160.11	161.11	162.11	163.11	164.11	165.11	166.11	167.11	168.11	169.11	170.11	171.11	172.11	173.11	174.11	175.11	176.11	177.11	178.11	179.11	180.11	181.11	182.11	183.11	184.11	185.11	186.11	187.11	188.11	189.11	190.11	191.11	192.11	193.11	194.11	195.11	196.11	197.11	198.11	199.11	200.11
Amsterdam Intl	125.77	127.11	132.11	134.25	135.11	137.11	138.11	139.11	140.11	141.11	142.11	143.11	144.11	145.11	146.11	147.11	148.11	149.11	150.11	151.11	152.11	153.11	154.11	155.11	156.11	157.11	158.11	159.11	160.11	161.11	162.11	163.11	164.11	165.11	166.11	167.11	168.11	169.11	170.11	171.11	172.11	173.11	174.11	175.11	176.11	177.11	178.11	179.11	180.11	181.11	182.11	183.11	184.11	185.11	186.11	187.11	188.11	189.11	190.11	191.11	192.11	193.11	194.11	195.11	196.11	197.11	198.11	199.11	200.11
Amsterdam Intl	125.77	127.11	132.11	134.25	135.11	137.11	138.11	139.11	140.11	141.11	142.11	143.11	144.11	145.11	146.11	147.11	148.11	149.11	150.11	151.11	152.11	153.11	154.11	155.11	156.11	157.11	158.11	159.11	160.11	161.11	162.11	163.11	164.11	165.11	166.11	167.11	168.11	169.11	170.11	171.11	172.11	173.11	174.11	175.11	176.11	177.11	178.11	179.11	180.11	181.11	182.11	183.11	184.11	185.11	186.11	187.11	188.11	189.11	190.11	191.11	192.11	193.11	194.11	195.11	196.11	197.11	198.11	199.11	200.11
Amsterdam Intl	125.77	127.11	132.11	134.25	135.11	137.11	138.11	139.11	140.11	141.11	142.11	143.11	144.11	145.11	146.11	147.11	148.11	149.11	150.11	151.11	152.11	153.11	154.11	155.11	156.11	157.11	158.11	159.11	160.11	161.11	162.11	163.11	164.11	165.11	166.11	167.11	168.11	169.11	170.11	171.11	172.11	173.11	174.11	175.11	176.11	177.11	178.11	179.11	180.11	181.11	182.11	183.11	184.11	185.11	186.11	187.11	188.11	189.11	190.11	191.11	192.11	193.11	194.11	195.11	196.11	197.11	198.11	199.11	200.11
Amsterdam Intl	125.77	127.11	132.11	134.25	135.11	137.11	138.11	139.11	140.11	141.11	142.11	143.11	144.11	145.11	146.11	147.11	148.11	149.11	150.11	151.11	152.11	153.11	154.11	155.11	156.11	157.11	158.11	159.11	160.11	161.11	162.11	163.11	164.11	165.11	166.11	167.11	168.11	169.11	170.11	171.11	172.11	173.11	174.11	175.11	176.11	177.11	178.11	179.11	180.11	181.11	182.11	183.11	184.11	185.11	186.11	187.11	188.11	189.11	190.11	191.11	192.11	193.11	194.11	195.11	196.11	197.11	198.11	199.11	200.11
Amsterdam Intl	125.77	127.11	132.11	134.25	135.11	137.11	138.11	139.11	140.11	141.11	142.11	143.11	144.11	145.11	146.11	147.11	148.11	149.11	150.11	151.11	152.11	153.11	154.11	155.11	156.11	157.11	158.11	159.11	160.11	161.11	162.11	163.11	164.11	165.11	166.11	167.11	168.11	169.11	170.11	171.11	172.11	173.11	174.11	175.11	176.11	177.11	178.11	179.11	180.11	181.11	182.11	183.11	184.11	185.11	186.11	187.11	188.11	189.11	190.11	191.11	192.11	193.11	194.11	195.11	196.11	197.11	198.11	199.11	200.11
Amsterdam Intl	125.77	127.11	132.11	134.25	135.11	137.11	138.11	139.11	140.11	141.11	142.11	143.11	144.11	145.11	146.11	147.11	148.11	149.11	150.11	151.11	152.11	153.11	154.11	155.11	156.11	157.11	158.11	159.11	160.11	161.11	162.11	163.11	164.11	165.11	166.11	167.11	168.11	169.11	170.11	171.11	172.11	173.11	174.11	175.11	176.11	177.11	178.11	179.11	180.11	181.11	182.11	183.11	184.11	185.11	186.11	187.11	188.11	189.11	190.11	191.11	192.11	193.11	194.11	195.11	196.11	197.11	198.11	199.11	200.11
Amsterdam Intl	125.77	127.11	132.11	134.25	135.11	137.11	138.11	139.11	140.11	141.11	142.11	143.11	144.11	145.11	146.11	147.11	148.11	149.11	150.11	151.11	152.11	153.11	154.11	155.11	156.11	157.11	158.11	159.11	160.11	161.11	162.11	163.11	164.11	165.11	166.11	167.11	168.11	169.11	170.11	171.11	172.11	173.11	174.11	175.11	176.11	177.11	178.11	179.11	180.11	181.11	182.11	183.11	184.11	185.11	186.11	187.11	188.11	189.11	190.11	191.11	192.11	193.11	194.11	195.11	196.11	197.11	198.11	199.11	200.11
Amsterdam Intl	125.77	127.11	132.11	134.25	135.11	137.11	138.11	139.11	140.11	141.11	142.11	143.11	144.11	145.11	146.11	147.11	148.11	149.11	150.11	151.11	152.11	153.11	154.11	155.11	156.11	157.11	158.11	159.11	160.11	161.11	162.11	163.11	164.11	165.11	166.11	167.11	168.11	169.11	170.11	171.11	172.11	173.11	174.11	175.11	176.11	177.11	178.11	179.11	180.11	181.11	182.11	183.11	184.11	185.11	186.11	187.11	188.11	189.11	190.11	191.11	192.11	193.11	194.11	195.11	196.11	197.11	198.11	199.11	200.11
Amsterdam Intl	125.77	127.11	132.11	134.25	135.11	137.11	138.11	139.11	140.11	141.11	142.11	143.11	144.11	145.11	146.11	147.11	148.11	149.11	150.11	151.11	152.11	153.11	154.11	155.11	156.11	157.11	158.11	159.11	160.11	161.11	162.11	163.11	164.11	165.11	166.11	167.11	168.11	169.11	170.11	171.11	172.11	173.11	174.11	175.11	176.11	177.11	178.11	179.11	180.11	181.11	182.11	183.11	184.11	185.11	186.11	187.11	188.11	189.11	190.11	191.11	192.11	193.11	194.11	195.11	196.11	197.11	198.11	199.11	200.11
Amsterdam Intl	125.77	127.11	132.11	134.25	135.11	137.11	138.11	139.11	140.11	141.11	142.11	143.11	144.11	145.11	146.11	147.11	148.11	149.11	150.11	151.11	152.11	153.11	154.11	155.11	156.11	157.11	158.11	159.11	160.11	161.11	162.11	163.11	164.11	165.11	166.11	167.11	168.11	169.11	170.11	171.11	172.11	173.11	174.11	175.11	176.11	177.11	178.11	179.11	180.11	181.11	182.11	183.11	184.11	185.11	186.11	187.11	188.11	189.11	190.11	191.11	192.11	193.11	194.11	195.11	196.11	197.11	198.11	199.11	200.11
Amsterdam Intl	125.77	127.11	132.11	134.25	135.11	137.11	138.11	139.11	140.11	141.11	142.11	143.11	144.11	145.11	146.11	147.11	148.11	149.11	150.11	151.11	152.11	153.11	154.11	155.11	156.11	157.11	158.11	159.11	160.11	161.11	162.11	163.11	164.11	165.11	166.11	167.11	168.11	169.11	170.11	171.11	172.11	173.11	174.11	175.11	176.11	177.11	178.11	179.11	180.11	181.11	182.11	183.11	184.11	185.11	186.11	187.11	188.11	189.11	190.11	191.11	192.11	193.11	194.11	195.11	196.11	197.11	198.11	199.11	200.11
Amsterdam Intl	125.77	127.11	132.11	134.25	135.11	137.11	138.11	139.11	140.11	141.11	142.11	143.11	144.11	145.11	146.11	147.11	148.11	149.11	150.11	151.11	152.11	153.11	154.11	155.11	156.11	157.11	158.11	159.11	160.																																								

Aluminum Units	5	100	27	798	0	834	10	-1.34	
Aluminum Smelter Cap	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	
Aluminum Smelter	5	275	74	282	0	282	10	-1.34	

[illegible]

Alcoa Indus Corp	1,004.4	1,152.4	1,412.5	1,614.4	1,744.4	1,844.4	1,944.4	2,044.4	2,144.4	2,244.4	2,344.4	2,444.4	2,544.4	2,644.4	2,744.4	2,844.4	2,944.4	3,044.4	3,144.4	3,244.4	3,344.4	3,444.4	3,544.4	3,644.4	3,744.4	3,844.4	3,944.4	4,044.4	4,144.4	4,244.4	4,344.4	4,444.4	4,544.4	4,644.4	4,744.4	4,844.4	4,944.4	5,044.4	5,144.4	5,244.4	5,344.4	5,444.4	5,544.4	5,644.4	5,744.4	5,844.4	5,944.4	6,044.4	6,144.4	6,244.4	6,344.4	6,444.4	6,544.4	6,644.4	6,744.4	6,844.4	6,944.4	7,044.4	7,144.4	7,244.4	7,344.4	7,444.4	7,544.4	7,644.4	7,744.4	7,844.4	7,944.4	8,044.4	8,144.4	8,244.4	8,344.4	8,444.4	8,544.4	8,644.4	8,744.4	8,844.4	8,944.4	9,044.4	9,144.4	9,244.4	9,344.4	9,444.4	9,544.4	9,644.4	9,744.4	9,844.4	9,944.4	10,044.4	10,144.4	10,244.4	10,344.4	10,444.4	10,544.4	10,644.4	10,744.4	10,844.4	10,944.4	11,044.4	11,144.4	11,244.4	11,344.4	11,444.4	11,544.4	11,644.4	11,744.4	11,844.4	11,944.4	12,044.4	12,144.4	12,244.4	12,344.4	12,444.4	12,544.4	12,644.4	12,744.4	12,844.4	12,944.4	13,044.4	13,144.4	13,244.4	13,344.4	13,444.4	13,544.4	13,644.4	13,744.4	13,844.4	13,944.4	14,044.4	14,144.4	14,244.4	14,344.4	14,444.4	14,544.4	14,644.4	14,744.4	14,844.4	14,944.4	15,044.4	15,144.4	15,244.4	15,344.4	15,444.4	15,544.4	15,644.4	15,744.4	15,844.4	15,944.4	16,044.4	16,144.4	16,244.4	16,344.4	16,444.4	16,544.4	16,644.4	16,744.4	16,844.4	16,944.4	17,044.4	17,144.4	17,244.4	17,344.4	17,444.4	17,544.4	17,644.4	17,744.4	17,844.4	17,944.4	18,044.4	18,144.4	18,244.4	18,344.4	18,444.4	18,544.4	18,644.4	18,744.4	18,844.4	18,944.4	19,044.4	19,144.4	19,244.4	19,344.4	19,444.4	19,544.4	19,644.4	19,744.4	19,844.4	19,944.4	20,044.4	20,144.4	20,244.4	20,344.4	20,444.4	20,544.4	20,644.4	20,744.4	20,844.4	20,944.4	21,044.4	21,144.4	21,244.4	21,344.4	21,444.4	21,544.4	21,644.4	21,744.4	21,844.4	21,944.4	22,044.4	22,144.4	22,244.4	22,344.4	22,444.4	22,544.4	22,644.4	22,744.4	22,844.4	22,944.4	23,044.4	23,144.4	23,244.4	23,344.4	23,444.4	23,544.4	23,644.4	23,744.4	23,844.4	23,944.4	24,044.4	24,144.4	24,244.4	24,344.4	24,444.4	24,544.4	24,644.4	24,744.4	24,844.4	24,944.4	25,044.4	25,144.4	25,244.4	25,344.4	25,444.4	25,544.4	25,644.4	25,744.4	25,844.4	25,944.4	26,044.4	26,144.4	26,244.4	26,344.4	26,444.4	26,544.4	26,644.4	26,744.4	26,844.4	26,944.4	27,044.4	27,144.4	27,244.4	27,344.4	27,444.4	27,544.4	27,644.4	27,744.4	27,844.4	27,944.4	28,044.4	28,144.4	28,244.4	28,344.4	28,444.4	28,544.4	28,644.4	28,744.4	28,844.4	28,944.4	29,044.4	29,144.4	29,244.4	29,344.4	29,444.4	29,544.4	29,644.4	29,744.4	29,844.4	29,944.4	30,044.4	30,144.4	30,244.4	30,344.4	30,444.4	30,544.4	30,644.4	30,744.4	30,844.4	30,944.4	31,044.4	31,144.4	31,244.4	31,344.4	31,444.4	31,544.4	31,644.4	31,744.4	31,844.4	31,944.4	32,044.4	32,144.4	32,244.4	32,344.4	32,444.4	32,544.4	32,644.4	32,744.4	32,844.4	32,944.4	33,044.4	33,144.4	33,244.4	33,344.4	33,444.4	33,544.4	33,644.4	33,744.4	33,844.4	33,944.4	34,044.4	34,144.4	34,244.4	34,344.4	34,444.4	34,544.4	34,644.4	34,744.4	34,844.4	34,944.4	35,044.4	35,144.4	35,244.4	35,344.4	35,444.4	35,544.4	35,644.4	35,744.4	35,844.4	35,944.4	36,044.4	36,144.4	36,244.4	36,344.4	36,444.4	36,544.4	36,644.4	36,744.4	36,844.4	36,944.4	37,044.4	37,144.4	37,244.4	37,344.4	37,444.4	37,544.4	37,644.4	37,744.4	37,844.4	37,944.4	38,044.4	38,144.4	38,244.4	38,344.4	38,444.4	38,544.4	38,644.4	38,744.4	38,844.4	38,944.4	39,044.4	39,144.4	39,244.4	39,344.4	39,444.4	39,544.4	39,644.4	39,744.4	39,844.4	39,944.4	40,044.4	40,144.4	40,244.4	40,344.4	40,444.4	40,544.4	40,644.4	40,744.4	40,844.4	40,944.4	41,044.4	41,144.4	41,244.4	41,344.4	41,444.4	41,544.4	41,644.4	41,744.4	41,844.4	41,944.4	42,044.4	42,144.4	42,244.4	42,344.4	42,444.4	42,544.4	42,644.4	42,744.4	42,844.4	42,944.4	43,044.4	43,144.4	43,244.4	43,344.4	43,444.4	43,544.4	43,644.4	43,744.4	43,844.4	43,944.4	44,044.4	44,144.4	44,244.4	44,344.4	44,444.4	44,544.4	44,644.4	44,744.4	44,844.4	44,944.4	45,044.4	45,144.4	45,244.4	45,344.4	45,444.4	45,544.4	45,644.4	45,744.4	45,844.4	45,944.4	46,044.4	46,144.4	46,244.4	46,344.4	46,444.4	46,544.4	46,644.4	46,744.4	46,844.4	46,944.4	47,044.4	47,144.4	47,244.4	47,344.4	47,444.4	47,544.4	47,644.4	47,744.4	47,844.4	47,944.4	48,044.4	48,144.4	48,244.4	48,344.4	48,444.4	48,544.4	48,644.4	48,744.4	48,844.4	48,944.4	49,044.4	49,144.4	49,244.4	49,344.4	49,444.4	49,544.4	49,644.4	49,744.4	49,844.4	49,944.4	50,044.4	50,144.4	50,244.4	50,344.4	50,444.4	50,544.4	50,644.4	50,744.4	50,844.4	50,944.4	51,044.4	51,144.4	51,244.4	51,344.4	51,444.4	51,544.4	51,644.4	51,744.4	51,844.4	51,944.4	52,044.4	52,144.4	52,244.4	52,344.4	52,444.4	52,544.4	52,644.4	52,744.4	52,844.4	52,944.4	53,044.4	53,144.4	53,244.4	53,344.4	53,444.4	53,544.4	53,644.4	53,744.4	53,844.4	53,944.4	54,044.4	54,144.4	54,244.4	54,344.4	54,444.4	54,544.4	54,644.4	54,744.4	54,844.4	54,944.4	55,044.4	55,144.4	55,244.4	55,344.4	55,444.4	55,544.4	55,644.4	55,744.4	55,844.4	55,944.4	56,044.4	56,144.4	56,244.4	56,344.4	56,444.4	56,544.4	56,644.4	56,744.4	56,844.4	56,944.4	57,044.4	57,144.4	57,244.4	57,344.4	57,444.4	57,544.4	57,644.4	57,744.4	57,844.4	57,944.4	58,044.4	58,144.4	58,244.4	58,344.4	58,444.4	58,544.4	58,644.4	58,744.4	58,844.4	58,944.4	59,044.4	59,144.4	59,244.4	59,344.4	59,444.4	59,544.4	59,644.4	59,744.4	59,844.4	59,944.4	60,044.4	60,144.4	60,244.4	60,344.4	60,444.4	60,544.4	60,644.4	60,744.4	60,844.4	60,944.4	61,044.4	61,144.4	61,244.4	61,344.4	61,444.4	61,544.4	61,644.4	61,744.4	61,844.4	61,944.4	62,044.4	62,144.4	62,244.4	62,344.4	62,444.4	62,544.4	62,644.4	62,744.4	62,844.4	62,944.4	63,044.4	63,144.4	63,244.4	63,344.4	63,444.4	63,544.4	63,644.4	63,744.4	63,844.4	63,944.4	64,044.4	64,144.4	64,244.4	64,344.4	64,444.4	64,544.4	64,644.4	64,744.4	64,844.4	64,944.4	65,044.4	65,144.4	65,244.4	65,344.4	65,444.4	65,544.4	65,644.4	65,744.4	65,844.4	65,944.4	66,044.4	66,144.4	66,244.4	66,344.4	66,444.4	66,544.4	66,644.4	66,744.4	66,844.4	66,944.4	67,044.4	67,144.4	67,244.4	67,344.4	67,444.4	67,544.4	67,644.4	67,744.4	67,844.4	67,944.4	68,044.4	68,144.4	68,244.4	68,344.4	68,444.4	68,544.4	68,644.4	68,744.4	68,844.4	68,944.4	69,044.4	69,144.4	69,244.4	69,344.4	69,444.4	69,544.4	69,644.4	69,744.4	69,844.4	69,944.4	70,044.4	70,144.4	70,244.4	70,344.4	70,444.4	70,544.4	70,644.4	70,744.4	70,844.4	70,944.4	71,044.4	71,144.4	71,244.4	71,344.4	71,444.4	71,544.4	71,644.4	71,744.4	71,844.4	71,944.4	72,044.4	72,144.4	72,244.4	72,344.4	72,444.4	72,544.4	72,644.4	72,744.4	72,844.4	72,944.4	73,044.4	73,144.4	73,244.4	73,344.4	73,444.4	73,544.4	73,644.4	73,744.4	73,844.4	73,944.4	74,044.4	74,144.4	74,244.4	74,344.4	74,444.4	74,544.4	74,644.4	74,744.4	74,844.4	74,944.4	75,044.4	75,144.4	75,244.4	75,344.4	75,444.4	75,544.4	75,644.4	75,744.4	75,844.4	75,944.4	76,044.4	76,144.4	76,244.4	76,344.4	76,444.4	76,544.4	76,644.4	76,744.4	76,844.4	76,944.4	77,044.4	77,144.4	77,244.4	77,344.4	77,444.4	77,544.4	77,644.4	77,744.4	77,844.4	77,944.4	78,044.4	78,144.4	78,244.4	78,344.4	78,444.4	78,544.4	78,644.4	78,744.4	78,844.4	78,944.4	79,044.4	79,144.4	79,244.4	79,344.4	79,444.4	79,544.4	79,644.4	79,744.4	79,844.4	79,944.4	80,044.4	80,144.4	80,244.4	80,344.4	80,444.4	80,544.4	80,644.4	80,744.4	80,844.4	80,944.4	81,044.4	81,144.4	81,244.4	81,344.4	81,444.4	81,544.4	81,644.4	81,744.4	81,844.4	81,944.4	82,044.4	82,144.4	82,244.4	82,344.4	82,444.4	82,544.4	82,644.4	82,744.4	82,844.4	82,944.4	83,044.4	83,144.4	83,244.4	83,344.4	83,444.4	83,544.4	83,644.4	83,744.4	83,844.4	83,944.4	84,044.4	84,144.4	84,244.4	84,344.4	84,444.4	84,544.4	84,644.4	84,744.4	84,844.4	84,944.4	85,044.4	85,144.4	85,244.4	85,344.4	85,444.4	85,544.4	85,644.4	85,744.4	85,844.4	85,944.4	86,044.4	86,144.4	86,244.4	86,344.4	86,444.4	86,544.4	86,644.4	86,744.4	86,844.4	86,944.4	87,044.4	87,144.4	87,244.4	87,344.4	87,444.4	87,544.4	87,644.4	87,744.4	87,844.4	87,944.4	88,044.4	88,144.4	88,244.4	88,344.4	88,444.4	88,544.4	88,644.4	88,744.4	88,844.4	88,944.4	89,044.4	89,144.4	89,244.4	89,344.4	89,444.4	89,544.4	89,644.4	89,744.4	89,844.4	89,944.4	90,044.4	90,144.4	90,244.4	90,344.4	90,444.4	90,544.4	90,644.4	90,744.4	90,844.4	90,944.4	91,044.4	91,144.4	91,244.4	91,344.4	91,444.4	91,544.4	91,644.4	91,744.4	91,844.4	91,944.4	92,044.4	92,144.4	92,244.4	92,344.4	92,444.4	92,544.4	92,644.4	92,744.4	92,844.4	92,944.4	93,044.4	93,144.4	93,244.4	93,344.4	93,444.4	93,544.4	93,644.4	93,744.4	93,844.4	93,944.4	94,044.4	94,144.4	94,244.4	94,344.4	94,444.4	94,544.4	94,644.4	94,744.4	94,844.4	94,944.4	95,044.4	95,144.4	95,244.4	95,344.4	95,444.4	95,544.4	95,644.4	95,744.4	95,844.4	95,944.4	96,044.4	96,144.4	96,244.4	96,344.4	96,444.4	96,544.4	96,644.4	96,744.4	96,844.4	96,944.4	97,044.4	9
------------------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	---

Daily Prime		Daily Prime		Daily Prime	
At 10:00 a.m.	At 11:00 a.m.	At 12:00 p.m.	At 1:00 p.m.	At 2:00 p.m.	At 3:00 p.m.
73 3/4	75 3/4	75 3/4	75 3/4	75 3/4	75 3/4
74 1/4	76 1/4	76 1/4	76 1/4	76 1/4	76 1/4
75 1/4	77 1/4	77 1/4	77 1/4	77 1/4	77 1/4
76 1/4	78 1/4	78 1/4	78 1/4	78 1/4	78 1/4
77 1/4	79 1/4	79 1/4	79 1/4	79 1/4	79 1/4
78 1/4	80 1/4	80 1/4	80 1/4	80 1/4	80 1/4
79 1/4	81 1/4	81 1/4	81 1/4	81 1/4	81 1/4
80 1/4	82 1/4	82 1/4	82 1/4	82 1/4	82 1/4
81 1/4	83 1/4	83 1/4	83 1/4	83 1/4	83 1/4
82 1/4	84 1/4	84 1/4	84 1/4	84 1/4	84 1/4
83 1/4	85 1/4	85 1/4	85 1/4	85 1/4	85 1/4
84 1/4	86 1/4	86 1/4	86 1/4	86 1/4	86 1/4
85 1/4	87 1/4	87 1/4	87 1/4	87 1/4	87 1/4
86 1/4	88 1/4	88 1/4	88 1/4	88 1/4	88 1/4
87 1/4	89 1/4	89 1/4	89 1/4	89 1/4	89 1/4
88 1/4	90 1/4	90 1/4	90 1/4	90 1/4	90 1/4
89 1/4	91 1/4	91 1/4	91 1/4	91 1/4	91 1/4
90 1/4	92 1/4	92 1/4	92 1/4	92 1/4	92 1/4
91 1/4	93 1/4	93 1/4	93 1/4	93 1/4	93 1/4
92 1/4	94 1/4	94 1/4	94 1/4	94 1/4	94 1/4
93 1/4	95 1/4	95 1/4	95 1/4	95 1/4	95 1/4
94 1/4	96 1/4	96 1/4	96 1/4	96 1/4	96 1/4
95 1/4	97 1/4	97 1/4	97 1/4	97 1/4	97 1/4
96 1/4	98 1/4	98 1/4	98 1/4	98 1/4	98 1/4
97 1/4	99 1/4	99 1/4	99 1/4	99 1/4	99 1/4
98 1/4	100 1/4	100 1/4	100 1/4	100 1/4	100 1/4
99 1/4	101 1/4	101 1/4	101 1/4	101 1/4	101 1/4
100 1/4	102 1/4	102 1/4	102 1/4	102 1/4	102 1/4
101 1/4	103 1/4	103 1/4	103 1/4	103 1/4	103 1/4
102 1/4	104 1/4	104 1/4	104 1/4	104 1/4	104 1/4
103 1/4	105 1/4	105 1/4	105 1/4	105 1/4	105 1/4
104 1/4	106 1/4	106 1/4	106 1/4	106 1/4	106 1/4
105 1/4	107 1/4	107 1/4	107 1/4	107 1/4	107 1/4
106 1/4	108 1/4	108 1/4	108 1/4	108 1/4	108 1/4
107 1/4	109 1/4	109 1/4	109 1/4	109 1/4	109 1/4
108 1/4	110 1/4	110 1/4	110 1/4	110 1/4	110 1/4
109 1/4	111 1/4	111 1/4	111 1/4	111 1/4	111 1/4
110 1/4	112 1/4	112 1/4	112 1/4	112 1/4	112 1/4
111 1/4	113 1/4	113 1/4	113 1/4	113 1/4	113 1/4
112 1/4	114 1/4	114 1/4	114 1/4	114 1/4	114 1/4
113 1/4	115 1/4	115 1/4	115 1/4	115 1/4	115 1/4
114 1/4	116 1/4	116 1/4	116 1/4	116 1/4	116 1/4
115 1/4	117 1/4	117 1/4	117 1/4	117 1/4	117 1/4
116 1/4	118 1/4	118 1/4	118 1/4	118 1/4	118 1/4
117 1/4	119 1/4	119 1/4	119 1/4	119 1/4	119 1/4
118 1/4	120 1/4	120 1/4	120 1/4	120 1/4	120 1/4
119 1/4	121 1/4	121 1/4	121 1/4	121 1/4	121 1/4
120 1/4	122 1/4	122 1/4	122 1/4	122 1/4	122 1/4
121 1/4					

[illegible][illegible][illegible]

Market						Widows' Fund						Merrill Lynch						Bancorp					
S&P 500						Dow Jones						NASDAQ						NYSE					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.00						4,470.00						10,170.00					
+10.00						+10.00						+10.00						+10.00					
10,230.00						28,500.00						4,500.00						10,200.00					
10,180.00						28,400.00						4,450.00						10,150.00					
10,200.00						28,450.00						4,480.00						10,180.00					
10,190.00						28,460.																	

Chengder Eastern Fund Mgmt Ltd (22003F)
 Unit 5, Raffles Rd, Naitian, Singapore, Singapore
 Singapore 0277 222250 Singapore 0277 261265
 Telex: 93016 Fax: 0277 261265

هكذا من الأصل

Continued on next page

● Current Unit Trust prices are available on FT Cityline. Calls charged at operator's standard rates. For more information, call 071 825-2128.

هكذا من الأهل

● Current Unit Trust prices are available on FT Cityline. Calls charged at 36p/minute cheap rate and 48p/minute at all other times. To obtain a free Unit Trust Code Booklet ring (071) 925-2128.

● Current Unit Trust prices are available on FT Cityline. Calls charged at 36p/minute cheap rate and 48p/minute at all other times. To obtain a free Unit Trust Code Booklet ring (071) 925-2128.

Corporate profits will soar, bonds have had their day, the US dollar is in a bull market... You did NOT read that in *FullerMoney*!

• the legendary investment letter.

Call Jane Farguherson for a sample issue (once only)
Tel: London 71 - 439 4961 (071 in UK) or Fax: 71 - 439 4965

LONDON SHARE SERVICE

AMERICANS

Company	Price	Change	1992	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976	1975	1974	1973	1972	1971	1970	1969	1968	1967	1966	1965	1964	1963	1962	1961	1960	1959	1958	1957	1956	1955	1954	1953	1952	1951	1950	1949	1948	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936	1935	1934	1933	1932	1931	1930	1929	1928	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918	1917	1916	1915	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903	1902	1901	1900	1899	1898	1897	1896	1895	1894	1893	1892	1891	1890	1889	1888	1887	1886	1885	1884	1883	1882	1881	1880	1879	1878	1877	1876	1875	1874	1873	1872	1871	1870	1869	1868	1867	1866	1865	1864	1863	1862	1861	1860	1859	1858	1857	1856	1855	1854	1853	1852	1851	1850	1849	1848	1847	1846	1845	1844	1843	1842	1841	1840	1839	1838	1837	1836	1835	1834	1833	1832	1831	1830	1829	1828	1827	1826	1825	1824	1823	1822	1821	1820	1819	1818	1817	1816	1815	1814	1813	1812	1811	1810	1809	1808	1807	1806	1805	1804	1803	1802	1801	1800	1799	1798	1797	1796	1795	1794	1793	1792	1791	1790	1789	1788	1787	1786	1785	1784	1783	1782	1781	1780	1779	1778	1777	1776	1775	1774	1773	1772	1771	1770	1769	1768	1767	1766	1765	1764	1763	1762	1761	1760	1759	1758	1757	1756	1755	1754	1753	1752	1751	1750	1749	1748	1747	1746	1745	1744	1743	1742	1741	1740	1739	1738	1737	1736	1735	1734	1733	1732	1731	1730	1729	1728	1727	1726	1725	1724	1723	1722	1721	1720	1719	1718	1717	1716	1715	1714	1713	1712	1711	1710	1709	1708	1707	1706	1705	1704	1703	1702	1701	1700	1699	1698	1697	1696	1695	1694	1693	1692	1691	1690	1689	1688	1687	1686	1685	1684	1683	1682	1681	1680	1679	1678	1677	1676	1675	1674	1673	1672	1671	1670	1669	1668	1667	1666	1665	1664	1663	1662	1661	1660	1659	1658	1657	1656	1655	1654	1653	1652	1651	1650	1649	1648	1647	1646	1645	1644	1643	1642	1641	1640	1639	1638	1637	1636	1635	1634	1633	1632	1631	1630	1629	1628	1627	1626	1625	1624	1623	1622	1621	1620	1619	1618	1617	1616	1615	1614	1613	1612	1611	1610	1609	1608	1607	1606	1605	1604	1603	1602	1601	1600	1599	1598	1597	1596	1595	1594	1593	1592	1591	1590	1589	1588	1587	1586	1585	1584	1583	1582	1581	1580	1579	1578	1577	1576	1575	1574	1573	1572	1571	1570	1569	1568	1567	1566	1565	1564	1563	1562	1561	1560	1559	1558	1557	1556	1555	1554	1553	1552	1551	1550	1549	1548	1547	1546	1545	1544	1543	1542	1541	1540	1539	1538	1537	1536	1535	1534	1533	1532	1531	1530	1529	1528	1527	1526	1525	1524	1523	1522	1521	1520	1519	1518	1517	1516	1515	1514	1513	1512	1511	1510	1509	1508	1507	1506	1505	1504	1503	1502	1501	1500	1499	1498	1497	1496	1495	1494	1493	1492	1491	1490	1489	1488	1487	1486	1485	1484	1483	1482	1481	1480	1479	1478	1477	1476	1475	1474	1473	1472	1471	1470	1469	1468	1467	1466	1465	1464	1463	1462	1461	1460	1459	1458	1457	1456	1455	1454	1453	1452	1451	1450	1449	1448	1447	1446	1445	1444	1443	1442	1441	1440	1439	1438	1437	1436	1435	1434	1433	1432	1431	1430	1429	1428	1427	1426	1425	1424	1423	1422	1421	1420	1419	1418	1417	1416	1415	1414	1413	1412	1411	1410	1409	1408	1407	1406	1405	1404	1403	1402	1401	1400	1399	1398	1397	1396	1395	1394	1393	1392	1391	1390	1389	1388	1387	1386	1385	1384	1383	1382	1381	1380	1379	1378	1377	1376	1375	1374	1373	1372	1371	1370	1369	1368	1367	1366	1365	1364	1363	1362	1361	1360	1359	1358	1357	1356	1355	1354	1353	1352	1351	1350	1349	1348	1347	1346	1345	1344	1343	1342	1341	1340	1339	1338	1337	1336	1335	1334	1333	1332	1331	1330	1329	1328	1327	1326	1325	1324	1323	1322	1321	1320	1319	1318	1317	1316	1315	1314	1313	1312	1311	1310	1309	1308	1307	1306	1305	1304	1303	1302	1301	1300	1299	1298	1297	1296	1295	1294	1293	1292	1291	1290	1289	1288	1287	1286	1285	1284	1283	1282	1281	1280	1279	1278	1277	1276	1275	1274	1273	1272	1271	1270	1269	1268	1267	1266	1265	1264	1263	1262	1261	1260	1259	1258	1257	1256	1255	1254	1253	1252	1251	1250	1249	1248	1247	1246	1245	1244	1243	1242	1241	1240	1239	1238	1237	1236	1235	1234	1233	1232	1231	1230	1229	1228	1227	1226	1225	1224	1223	1222	1221	1220	1219	1218	1217	1216	1215	1214	1213	1212	1211	1210	1209	1208	1207	1206	1205	1204	1203	1202	1201	1200	1199	1198	1197	1196	1195	1194	1193	1192	1191	1190	1189	1188	1187	1186	1185	1184	1183	1182	1181	1180	1179	1178	1177	1176	1175	1174	1173	1172	1171	1170	1169	1168	1167	1166	1165	1164	1163	1162	1161	1160	1159	1158	1157	1156	1155	1154	1153	1152	1151	1150	1149	1148	1147	1146	1145	1144	1143	1142	1141	1140	1139	1138	1137	1136	1135	1134	1133	1132	1131	1130	1129	1128	1127	1126	1125	1124	1123	1122	1121	1120	1119	1118	1117	1116	1115	1114	1113	1112	1111	1110	1109	1108	1107	1106	1105	1104	1103	1102	1101	1100	1099	1098	1097	1096	1095	1094	1093	1092	1091	1090	1089	1088	1087	1086	1085	1084	1083	1082	1081	1080	1079	1078	1077	1076	1075	1074	1073	1072	1071	1070	1069	1068	1067	1066	1065	1064	1063	1062	1061	1060	1059	1058	1057	1056	1055	1054	1053	1052	1051	1050	1049	1048	1047	1046	1045	1044	1043	1042	1041	1040	1039	1038	1037	1036	1035	1034	1033	1032	1031	1030	1029	1028	1027	1026	1025	1024	1023	1022	1021	1020	1019	1018	1017	1016	1015	1014	1013	1012	1011	1010	1009	1008	1007	1006	1005	1004	1003	1002	1001	1000	999	998	997	996	995	994	993	992	991	990	989	988	987	986	985	984	983	982	981	980	979	978	977	976	975	974	973	972	971	970	969	968	967	966	965	964	963	962	961	960	959	958	957	956	955	954	953	952	951	950	949	948	947	946	945	944	943	942	941	940	939	938	937	936	935	934	933	932	931	930	929	928	927	926	925	924	923	922	921	920	919	918	917	916	915	914	913	912	911	910	909	908	907	906	905	904	903	902	901	900	899	898	897	896	895	894	893	892	891	890	889	888	887	886	885	884	883	882	881	880	879	878	877	876	875	874	873	872	871	870	869	868	867	866	865	864	863	862	861	860	859	858	857	856	855	854	853	852	851	850	849	848	847	846	845	844	843	842	841	840	839	838	837	836	835	834	833	832	831	830	829	828	827	826	825	824	823	822	821	820	819	818	817	816	815	814	813	812	811	810	809	808	807	806	805	804	803	802	801	800	799	798	797	796	795	794	793	792	791	790	789	788	787	786	785	784	783	782	781	780	779	778	777	776	775	774	773	772	771	770	769	768	767	766	765	764	763	762	761	760	759	758	757	756	755	754	753	752	751	750	749	748	747	746	745	744	743	742	741	740	739	738	737	736	735	734	733	732	731	730	729	728	727	726	725	724	723	722	721	720	719	718	717	716	715	714	713	712	711	710	709	708	707	706	705	704	703	702	701	700	699	698	697	696	695	694	693	692	691	690	689	688	687	686	685	684	683	682	681	680	679	678	677	676	675	674	673	672	671	670	669	668	667	666	665	664	663	662	661	660	659	658	657	656	655	654	653	652	651	650	649	648	647	646	645	644	643	642	641	640	639	638	637	636	635	634	633	632	631	630	629	628	627	626	625	624	623	622	621	620	619	618	617	616	615	614	613	612	611	610	609	608	607	606	605	604	603	602	601	600	599	598	597	596	595	59
---------	-------	--------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	----

مكتبة النجدي

INVESTMENT TRUSTS - Cont.

Notes	Price	1992	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976	1975	1974	1973	1972	1971	1970	1969	1968	1967	1966	1965	1964	1963	1962	1961	1960	1959	1958	1957	1956	1955	1954	1953	1952	1951	1950	1949	1948	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936	1935	1934	1933	1932	1931	1930	1929	1928	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918	1917	1916	1915	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903	1902	1901	1900	1899	1898	1897	1896	1895	1894	1893	1892	1891	1890	1889	1888	1887	1886	1885	1884	1883	1882	1881	1880	1879	1878	1877	1876	1875	1874	1873	1872	1871	1870	1869	1868	1867	1866	1865	1864	1863	1862	1861	1860	1859	1858	1857	1856	1855	1854	1853	1852	1851	1850	1849	1848	1847	1846	1845	1844	1843	1842	1841	1840	1839	1838	1837	1836	1835	1834	1833	1832	1831	1830	1829	1828	1827	1826	1825	1824	1823	1822	1821	1820	1819	1818	1817	1816	1815	1814	1813	1812	1811	1810	1809	1808	1807	1806	1805	1804	1803	1802	1801	1800	1799	1798	1797	1796	1795	1794	1793	1792	1791	1790	1789	1788	1787	1786	1785	1784	1783	1782	1781	1780	1779	1778	1777	1776	1775	1774	1773	1772	1771	1770	1769	1768	1767	1766	1765	1764	1763	1762	1761	1760	1759	1758	1757	1756	1755	1754	1753	1752	1751	1750	1749	1748	1747	1746	1745	1744	1743	1742	1741	1740	1739	1738	1737	1736	1735	1734	1733	1732	1731	1730	1729	1728	1727	1726	1725	1724	1723	1722	1721	1720	1719	1718	1717	1716	1715	1714	1713	1712	1711	1710	1709	1708	1707	1706	1705	1704	1703	1702	1701	1700	1699	1698	1697	1696	1695	1694	1693	1692	1691	1690	1689	1688	1687	1686	1685	1684	1683	1682	1681	1680	1679	1678	1677	1676	1675	1674	1673	1672	1671	1670	1669	1668	1667	1666	1665	1664	1663	1662	1661	1660	1659	1658	1657	1656	1655	1654	1653	1652	1651	1650	1649	1648	1647	1646	1645	1644	1643	1642	1641	1640	1639	1638	1637	1636	1635	1634	1633	1632	1631	1630	1629	1628	1627	1626	1625	1624	1623	1622	1621	1620	1619	1618	1617	1616	1615	1614	1613	1612	1611	1610	1609	1608	1607	1606	1605	1604	1603	1602	1601	1600	1599	1598	1597	1596	1595	1594	1593	1592	1591	1590	1589	1588	1587	1586	1585	1584	1583	1582	1581	1580	1579	1578	1577	1576	1575	1574	1573	1572	1571	1570	1569	1568	1567	1566	1565	1564	1563	1562	1561	1560	1559	1558	1557	1556	1555	1554	1553	1552	1551	1550	1549	1548	1547	1546	1545	1544	1543	1542	1541	1540	1539	1538	1537	1536	1535	1534	1533	1532	1531	1530	1529	1528	1527	1526	1525	1524	1523	1522	1521	1520	1519	1518	1517	1516	1515	1514	1513	1512	1511	1510	1509	1508	1507	1506	1505	1504	1503	1502	1501	1500	1499	1498	1497	1496	1495	1494	1493	1492	1491	1490	1489	1488	1487	1486	1485	1484	1483	1482	1481	1480	1479	1478	1477	1476	1475	1474	1473	1472	1471	1470	1469	1468	1467	1466	1465	1464	1463	1462	1461	1460	1459	1458	1457	1456	1455	1454	1453	1452	1451	1450	1449	1448	1447	1446	1445	1444	1443	1442	1441	1440	1439	1438	1437	1436	1435	1434	1433	1432	1431	1430	1429	1428	1427	1426	1425	1424	1423	1422	1421	1420	1419	1418	1417	1416	1415	1414	1413	1412	1411	1410	1409	1408	1407	1406	1405	1404	1403	1402	1401	1400	1399	1398	1397	1396	1395	1394	1393	1392	1391	1390	1389	1388	1387	1386	1385	1384	1383	1382	1381	1380	1379	1378	1377	1376	1375	1374	1373	1372	1371	1370	1369	1368	1367	1366	1365	1364	1363	1362	1361	1360	1359	1358	1357	1356	1355	1354	1353	1352	1351	1350	1349	1348	1347	1346	1345	1344	1343	1342	1341	1340	1339	1338	1337	1336	1335	1334	1333	1332	1331	1330	1329	1328	1327	1326	1325	1324	1323	1322	1321	1320	1319	1318	1317	1316	1315	1314	1313	1312	1311	1310	1309	1308	1307	1306	1305	1304	1303	1302	1301	1300	1299	1298	1297	1296	1295	1294	1293	1292	1291	1290	1289	1288	1287	1286	1285	1284	1283	1282	1281	1280	1279	1278	1277	1276	1275	1274	1273	1272	1271	1270	1269	1268	1267	1266	1265	1264	1263	1262	1261	1260	1259	1258	1257	1256	1255	1254	1253	1252	1251	1250	1249	1248	1247	1246	1245	1244	1243	1242	1241	1240	1239	1238	1237	1236	1235	1234	1233	1232	1231	1230	1229	1228	1227	1226	1225	1224	1223	1222	1221	1220	1219	1218	1217	1216	1215	1214	1213	1212	1211	1210	1209	1208	1207	1206	1205	1204	1203	1202	1201	1200	1199	1198	1197	1196	1195	1194	1193	1192	1191	1190	1189	1188	1187	1186	1185	1184	1183	1182	1181	1180	1179	1178	1177	1176	1175	1174	1173	1172	1171	1170	1169	1168	1167	1166	1165	1164	1163	1162	1161	1160	1159	1158	1157	1156	1155	1154	1153	1152	1151	1150	1149	1148	1147	1146	1145	1144	1143	1142	1141	1140	1139	1138	1137	1136	1135	1134	1133	1132	1131	1130	1129	1128	1127	1126	1125	1124	1123	1122	1121	1120	1119	1118	1117	1116	1115	1114	1113	1112	1111	1110	1109	1108	1107	1106	1105	1104	1103	1102	1101	1100	1099	1098	1097	1096	1095	1094	1093	1092	1091	1090	1089	1088	1087	1086	1085	1084	1083	1082	1081	1080	1079	1078	1077	1076	1075	1074	1073	1072	1071	1070	1069	1068	1067	1066	1065	1064	1063	1062	1061	1060	1059	1058	1057	1056	1055	1054	1053	1052	1051	1050	1049	1048	1047	1046	1045	1044	1043	1042	1041	1040	1039	1038	1037	1036	1035	1034	1033	1032	1031	1030	1029	1028	1027	1026	1025	1024	1023	1022	1021	1020	1019	1018	1017	1016	1015	1014	1013	1012	1011	1010	1009	1008	1007	1006	1005	1004	1003	1002	1001	1000	999	998	997	996	995	994	993	992	991	990	989	988	987	986	985	984	983	982	981	980	979	978	977	976	975	974	973	972	971	970	969	968	967	966	965	964	963	962	961	960	959	958	957	956	955	954	953	952	951	950	949	948	947	946	945	944	943	942	941	940	939	938	937	936	935	934	933	932	931	930	929	928	927	926	925	924	923	922	921	920	919	918	917	916	915	914	913	912	911	910	909	908	907	906	905	904	903	902	901	900	899	898	897	896	895	894	893	892	891	890	889	888	887	886	885	884	883	882	881	880	879	878	877	876	875	874	873	872	871	870	869	868	867	866	865	864	863	862	861	860	859	858	857	856	855	854	853	852	851	850	849	848	847	846	845	844	843	842	841	840	839	838	837	836	835	834	833	832	831	830	829	828	827	826	825	824	823	822	821	820	819	818	817	816	815	814	813	812	811	810	809	808	807	806	805	804	803	802	801	800	799	798	797	796	795	794	793	792	791	790	789	788	787	786	785	784	783	782	781	780	779	778	777	776	775	774	773	772	771	770	769	768	767	766	765	764	763	762	761	760	759	758	757	756	755	754	753	752	751	750	749	748	747	746	745	744	743	742	741	740	739	738	737	736	735	734	733	732	731	730	729	728	727	726	725	724	723	722	721	720	719	718	717	716	715	714	713	712	711	710	709	708	707	706	705	704	703	702	701	700	699	698	697	696	695	694	693	692	691	690	689	688	687	686	685	684	683	682	681	680	679	678	677	676	675	674	673	672	671	670	669	668	667	666	665	664	663	662	661	660	659	658	657	656	655	654	653	652	651	650	649	648	647	646	645	644	643	642	641	640	639	638	637	636	635	634	633	632	631	630	629	628	627	626	625	624	623	622	621	620	619	618	617	616	615	614	613	612	611	610	609	608	607	606	605	604	603	602	601	600
-------	-------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

Number One Southwark Bridge, London SE1 9HL. & The Financial Times Ltd.

Weekend FT

SECTION II

Weekend January 16/January 17 1993

The Soviet heritage is suffering under free market pressures. Gone are the lavish subsidies and the bonds which lent excitement and discipline, pushing performers to the limits of their art, says John Lloyd

The arts perform a dance of death

RUSSIAN culture, the envy of the world during the era of Soviet repression, is now critically ill from the effects of freedom. In all the arts for which Russia was famed, the pride of setting international standards has been replaced by despair or cynicism. Already, it is too late to save some parts of the Soviet cultural heritage: for much else, the end seems near.

But why should one care about saving the cultural heritage of a brutal regime? Did it not involve censorship of every production and KGB snoopers on every foreign tour, in every cutting room and at every opening night? Yes, but under communist rule the arts were also lavishly subsidised. Standards in music, dance and theatre were kept up and a big effort was made to spread high culture throughout society. The Soviet heritage was unfree but within its political fetters, a culture of great excellence. That duality helps to explain the present crisis and the nostalgia felt by many artists for the lost era of party control.

Under the communist regime, high art was as well rewarded as popular art. Yuri Gussman, head of Russia's Cinematographers' Union and a film director in his native Azerbaijan, says: "Directors making a film for three people were paid more than the directors of the most popular musicals. Some of them were good, some were terrible. Anyway, the market did not matter."

Now, looking back, it is said that oppression gave energy to those who sought to push their artistic boundaries to the limit, lending an excitement and discipline which today's formless freedom cannot provide. Indeed, before communism, most of Russia's great art was produced under a highly authoritarian system.

Arkady Ostrovsky, one of Moscow's brightest young drama critics, says: "Vladimir Vysotsky (a famed protest singer of the 1970s who stayed just within the tolerated limits) played Hamlet at the Taganka Theatre. Everyone wanted to see him because he was saying something about our society. Now,

the theatre is not shocking and no one wants it to shock."

Yes, in the first years of Mikhail Gorbachev's glasnost policy, the intelligentsia was delighted by the progressive escape from censorship. In the late 1980s, before the failures of economic restructuring were obvious, it was a joy to see one wall after another whipped away: the publication of Anatoly Rybakov's *Children of the Arbat* (an anti-Stalinist novel written without hope of publication 20 years before); the performance of extracts of Solzhenitsyn's *Gulag Archipelago* on a Moscow stage - for which, with a

shock, I saw a poster inside the Soviet Foreign Ministry in 1990.

It was not easy at first. When the pianist Mikhail Rudy, who defected in 1977 in his mid 30s, came back in 1989 to play with the Leningrad Philharmonic, he found the orchestra "glacial...they had not ever been able to talk to a political exile before, and they were scared". Yet a year ago, he undertook a five-concert tour of Moscow and St Petersburg, as it had become, and recorded a disc with the same orchestra.

Of the famous expatriates, only Solzhenitsyn has yet to return -

and he is held up by his own doubts about the responsibilities which will be thrust upon him as one who has become an icon of nationalism. The composer Alfred Shnitke, best known of contemporary Russian composers, was once cold-shouldered by official Soviet musicology and attracted venom for being performed abroad. Now he plays to glittering crowds and is reverentially broadcast on Russian television.

But in the third year after Boris Yeltsin came to power, the freshness has gone. Irina Miroshnichenko, one of Russia's foremost classical actresses and consultant to

Moscow City Council on culture says: "These are the hardest of times in the arts. Much that we took for granted is now disappearing or being destroyed. It is so distressing."

In the theatre, provincial houses are being closed and those that remain, concentrate on popular classics, while seeking sponsorship from foreign and Russian businessmen. In Perm, the city's new business club sponsors a private ballet company. In Rostov-on-Don, the city's first privatised company buys favour by sponsoring the youth theatre and a bi-annual children's drama festival. In Moscow, the opera theatre round the corner from the mighty Bolshoy is supported by the US Electric company.

It has engaged the services of a British marketing group, the Sporting Partnership, which is installing a hard currency bar on the first floor, printing Bolshoy Theatre T-shirts, setting up foreign ticket agencies and printing a full colour programme. Most revolutionary of all, Alex Kilgour, who runs the partnership, has persuaded the Bolshoy to divulge its programme to the public at least one month in advance. The Bolshoy will survive.

One cannot be so optimistic about Russian cinema. Although much of its output in the Soviet period was banal, it was at least Russian. Now, the cinemas in its capital show almost no Russian films: a recent count of 48 showed only three to be Russian-made; of the rest, 26 were from the US, seven from western Europe, six from Latin America and the rest from other countries.

The films included *The Great American Cheerleader* (a spoof on the US, in which has-been football stars kidnap cheerleaders and hold them to ransom); *Sex Slaves* from France, in which police uncover a crime ring which sells girls to rich Arabs; and *Red Heat*, also from the US, in which Arnold Schwarzenegger plays a Moscow policeman on the trail of Georgian drug smugglers with the help of a Chicago cop.

Among the most celebrated of the contemporary Russian film makers is Stanislav Govorukhin, for his two long documentary films *This is no Life* and *The Russia we Lost* - alternately lyrical and angry evocations of a wonderful past and a diseased present. Yet *The Russia we Lost* played in one small cinema in Moscow this summer after its release, and then disappeared.

Govorukhin's work, nostalgic and nationalistic, points to one direction for the arts in modern Russia - an attempt to rediscover the old Russian culture which was overlaid by the Soviet orthodoxy and is now being hounded into minority enclaves by commercial pressures.

It is music, however which is in the worst predicament. Russian musical talent, especially pianists and violinists, dominated 20th century concert halls. Most of the artists passed through the legendary Moscow Conservatoire - a place of frighteningly high standards and mystical discipline, where the best teachers led lives of deliberate obscurity, the finest of them never performing in public and eschewing a concert career for the craft of

musical pedagogy. Igor Ketakic, a talented Serb pianist in his early 20s, now finishing his Conservatoire course, says: "Coming here ten years ago, I caught the end of the great tradition - the tradition begun by Leopold Auer in Petersburg, going through Heifetz, Jankelevich, Perelman, [Larissa] Glazunova (still at the Conservatoire) was my teacher and she was one of the last greats. Now you can buy your way in and buy your way out, now you give a video recorder to the teacher to persuade him to take you. It is all lost."

Yuri Rozum, a Russian pianist now becoming internationally known after a period in which the KGB prevented him from travelling, says: "There is a Russian school of piano and violin teaching which is quite distinctive. It set a standard. There is no question it is getting less distinctive now. We are losing our people abroad."

Rozum spends more time on the German and Italian circuits, although his home is a self-built dacha just outside Moscow, to which he commutes in a Mercedes.

Some of this is simply Russia entering into world show business - with stars moving freely between the great stages. But it also represents a loss for the country, since the great stages of Russia are impoverished. The few stars who visit Russia are either émigrés returning for a dewy-eyed tour, such as the Moscow Virtuosi, who now live in Spain, or foreigners coming for free. A recent newspaper article congratulated the Austrian pianist Leonid Brumberg, the Spanish guitarist Carlos Trepat and the Israeli conductor Itai Talgam for appearing "without demanding high fees in hard currency".

But many who do come find as much chaos in the new artistic world as in Russia's politics and economics. What should have been last summer's premier event, a grandly conceived operatic pageant in Red Square lasting a week, turned into a fiasco. It was badly-organised, ill-attended and over-policed. Resentful Moscovites glared into a square one-quarter filled with foreigners barely attending to such superlatars as Jose Carreras, Marilyn Horne, Leo Nucci and Margaret Price. Omar Sokhadze, who conceived the venture, is still disputing the costs with the Russian and Moscow city governments.

This is one of the malign consequences of freedom: the Continued on Page XII The Bolshoy exposed, Page XVI

CONTENTS

- Finance & Family: The threat to mortgage tax relief III
- Food & Drink: Lunch for a fiver - the FT's special offer VIII
- Fashion: What you should wear when the fur flies IX
- Sport: John Hopkins looks ahead to the rugby internationals XIII
- Books: Eleanor Roosevelt: sex and power in the White House XIV
- Interview: Norman Myers says babies are a political issue XVIII



Hunters with feathers in their caps: Nicholas Woodworth watches the ritual of an Alpine stag hunt... Page X

- Arts: XV & XVI
- Books: XV
- Bridge & Chess: XVI
- Crossword: XVI
- Finance & the Family: VII
- Food & Drink: XI
- Gardening: IX
- How To Spend It: XVIII
- Interview: XVIII
- Domestic Law: XII
- Markets: XII
- Motoring: XII
- Skills: XII
- Sport: XVIII
- Michael Thompson-Noel: X
- Travel: X
- TV & Radio: XVI

The Long View/Barry Riley

Ride down Gilt Mountain



YOUR UK edition of the FT is costing you an extra 5p this week at 65p, but will it soon set you back 76p by courtesy of Norman Lamont? The Chancellor has a fair chance of finding ways to escape from his

daunting problems this year, but some body will have to pay. It could be you (and me).

The New Year started badly in the securities markets in London, with profits being taken in equities and long-dated gilt-edged yields climbing back up to 9 per cent as the announcement of next week's gilt auction has provided an early reminder of the coming flood of paper.

On the other hand yesterday's drop in the inflation index to 2.6 per cent, though entirely dependent on falling mortgage rates, gave a reminder of the kind of short-term opportunities that the politicians will be able to exploit this year.

Meanwhile, the pound sterling has bounced firmly off \$1.50 at the beginning of the month, and sterling has been able to watch the latest round of speculative pressure on the European exchange rate mechanism from a distance. The ERM has survived, because the markets are now discounting a significant cut in German interest rates this year; the French franc need not be devalued against the D-mark because the D-mark has depreciated by 15 per cent against the dollar since the height of the currency crisis last September.

From the British point of view the danger is that gains in competitiveness in Continental markets might be significantly eroded, which could be awkward now that recovery has become the main official economic objective. Although there is some nervousness in official quarters about cutting interest rates again so soon, before the response of the economy can be properly judged - it is just two months since base rates dropped to 7 per cent - this is a card which Lamont will want to play, possibly in his March 16 Budget.

The big financial problem, remember, is that the government will need to sell £50bn or more of gilts in the 1993-94 financial year. This is more than can be readily financed out of regular savings flows within the British economy so there will have to be some reliance on shifts in holdings of existing financial assets, and on investment by foreigners. In a catastrophic scenario the Bank of England would be raising gilt yields to whatever level was required to entice pension funds into dumping equities, but fortunately we are a long way from that 1970s-type crisis point.

All the same, it looks increasingly inevitable that Norman Lamont will have to resort to escape route one, a switch to underfunding. This is jargon finance part of its deficit through the banking system. Essentially the banks will shift a proportion of their assets into the public sector: at present British banks have only 3 per cent of their portfolios in public sector assets, whereas in the US, where the government has been underfunding like crazy, the banks have 23 per cent.

Escape route two is likely to be a low level of short-term interest rates. Six months ago long-term rates were lower than short rates, now they are two percentage points higher, and the bigger that gap becomes the easier it will be to sell gilts. Low interest rates will also serve to weaken sterling which is important if substantial sales are to be made to foreigners: they will not buy gilts unless they are convinced that sterling is at a bargain basement level from which it is more likely to rise than to depreciate further. Alternatively the government could borrow in foreign currencies, but that would only highlight the lack of confidence in the pound.

There are important limitations on the scope for cutting sterling interest rates, however. Already the building societies are tending to suffer a net loss of savings and they surely could not follow money market rates down much

below 6 per cent. The banking sector became bloated through high deposit rates in the 1980s but could be nastily squeezed by low rates now - although it would be open to the building societies to finance mortgage lending through longer-term savings products. While instant access accounts might yield little, five-year fixed-rate bonds could offer a lot more. But this does not look like a year in which it will be much fun running a building society.

Lamont's third escape route could be through tax increases. Lenders are much happier when they think the borrower does not really need the money - but nobody wants to lend to a desperate man. Above all, the gilt market will want to be able to see a way in which the budget deficit can shrink in 1994-95. In any case, fiscal tightness is an appropriate counterweight to monetary relaxation.

This government will not increase income tax, as it probably should, but a temporary dip in the headline inflation rate in the early part of this year would give a window for an extension of the coverage of value-added tax. The sins of the press could be punished at last; and those children's clothing lobbyists had better polish up their heartstring-plucking arguments.

So the Treasury's escape committee should have reasonable scope for initiatives this year. The funding requirements are demanding, but we start from the relatively strong position of an historic government debt burden of only 26 per cent of GDP: this is nothing like Italy, where the corresponding figure is over 100 per cent. The trouble is, each tactical shift could weaken the room for manoeuvre in the longer term. In particular, there is no anti-inflationary anchor now that we have left the ERM, in last year's death-defying policy switch.

You need to be smart and lucky to be a successful escapist. And even Harry Houdini turned out in the end to have a soft underbelly.

Fidelity Money Funds

Where in the world can you find better rates?

Wherever you find yourself, you'll find that Fidelity Money Funds offer a flexible, tax-efficient offshore alternative to a deposit account. The Fidelity organisation looks after over \$60 billion in cash products worldwide and is committed to providing high returns on your money.

We offer wholesale interest rates on any of 15 major currencies, paid out or accumulated gross.

And you can buy, or convert between, currencies at extremely favourable rates of exchange, without charge.

For extra security, your money is only spread among banks chosen and monitored continuously for their creditworthiness.

There is no minimum investment and when you need your cash, usually it can be remitted electronically to your bank account anywhere in the world, free of charge, within three business days.

The distributor of Fidelity Money Funds is Fidelity Investments Distributors, Bermuda. For more detailed information, including current interest rates for each currency, just contact one of the Fidelity offices below, or return the coupon.

United Kingdom	Tel: 44 732 361144	Fax: 44 732 838886
Jersey	Tel: 44 534 89888	Fax: 44 534 34244
Hong Kong	Tel: 852 948 1000	Fax: 852 943 2608
Luxembourg	Tel: 352 250 404 231	Fax: 352 250 340

10 Fidelity Investments European Services Centre, 3rd Floor, Jersey House, Place de l'Europe, BP 2174 L-1021 Luxembourg. Please send me more information on Fidelity Money Funds. Name (Mr/Ms/Ms): _____ Address: _____ Postcode: _____ Tel No: _____ Country: _____

Printed by Fidelity Investments Microprint

MARKETS

London

Facts are not necessarily better than rumours

By Peter Martin, Financial Editor

AS THE affairs of the royal family drift out of the realm of rumour into that of fact, the financial markets seem to be heading in the opposite direction.

Any stock market trader worth his red braces had got hold of a faxed transcript of the purported royal telephone conversation this week. All were instant experts on who said what to whom. Yet no-one seemed to know what was really happening to interest rates, to corporate rights issues, or to fiscal policy.

Throughout the week all three were the subject of persistent rumours. Base rates were set to fall on Friday, so the gossip went; a large rights issue was due at any moment; the government might - or might not - raise value added tax in the budget, when the VAT base, cut back on income tax relief.

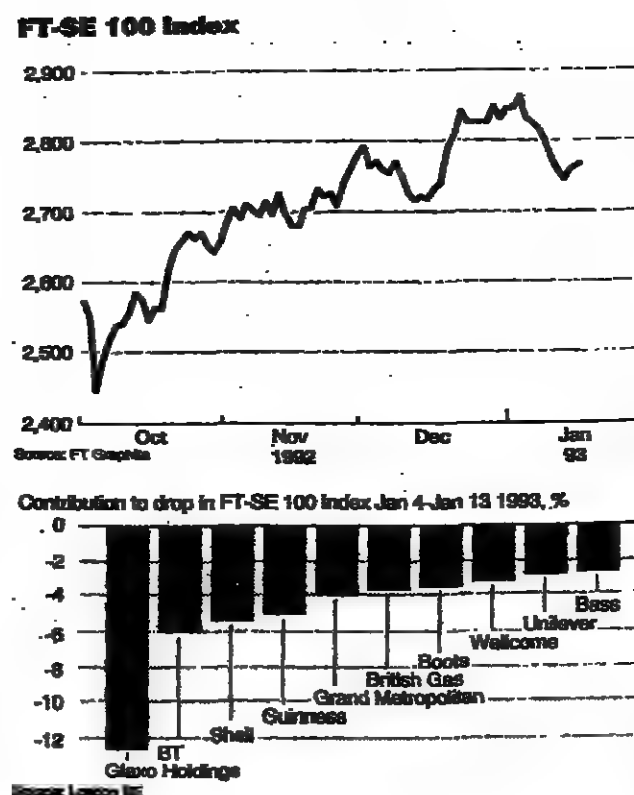
By the end of the week there had been no cut in interest rates, and only one new rights issue, raising £46m for First

National Finance. The outlook for taxes remained shrouded in mystery. The only new fact available was the date of the Budget, March 16.

The outlook for interest rates seemed particularly unclear. Although the government had been signalling for some time that an immediate cut in rates was unlikely, traders convinced themselves that one was possible on Friday.

They were reinforced in this view by the recent strength of sterling - in the early part of the week it was still healthily above DM2.50, well above its post-Black Wednesday lows - and by short-term movements in the money markets, where the overnight rate fell to as low as 3 per cent at one point.

Friday came and went, however, with base rates firmly stuck at 7 per cent. That was not the only bad news. Sterling had weakened to below DM2.50 for the first time since the very first days of the year. Worse, new inflation statistics appeared to limit the government's freedom to make such a



or the extension of this tax to more items.

A move of either sort, on a scale large enough to be much help to government finances, would be likely to push inflation over its target ceiling in the second half of 1993. Friday's inflation figures help close off this revenue-raising option, making the threat of an uncontrollable rise in public borrowing more real.

The gilt market had had an unpleasant reminder of that fact earlier in the week, thanks to Tuesday's announcement of a gilt auction. This long-expected news served to concentrate the worries' minds, and the yield on the long-term gilt rose to 8.33 per cent, a rise of a quarter of a percentage point in six trading days.

By Friday, despite the poor inflation news, gilts had recovered slightly, with the yield on the long gilt finishing the week at 8.77 per cent. Next week's performance will turn on the December public sector borrowing figures, due on Tuesday.

Fixed-interest investors will not be the only people watching that number closely. Finance Directors eager to raise cash will be keen to get their rights issues away before the flood of government paper hits the murlins.

Though there have as yet been no unexpected large issues, the market is apprehensive that they are on the way. Two making headlines this week - the Lonrho issue, which closed on Friday, and the FMPG issue announced the same day - were scarcely favourable auguries.

As intended, large investors stayed away from the Lonrho issue in droves, leaving the way clear for Dieter Bock, the German property entrepreneur, to become the group's largest shareholder. The FMPG issue of convertible preference shares, a rescue operation, came as the consumer credit company announced a £32m pre-tax loss for the year.

This, at least, was fact rather than rumour. So were some intriguing figures calculated by the London Stock Exchange, and summarised in the chart. They show that a handful of big companies are an important cause of the slide in the FT-SE 100 index from its high of 2,861.5 on January 4, 1993 to the 2,768.1 recorded at Friday's close.

Nearly half the index's fall is accounted for by the performance of ten big shares. The drop in Glaxo alone accounts for 13 per cent of the index's slide. It has not been a good week for the mighty, all round.

Serious Money

Index linking adds shine to gilts

By Philip Coggan, Personal Finance Editor

INFLATION has fallen to 2.6 per cent, so it may seem an odd time to be extolling the virtues of index-linked gilts. But their appeal to the private investor is three-fold. The first attraction is that inflation might rise, whatever the views of the pundits. Traditionally, devaluations of the pound and high budget deficits have led to higher prices eventually.

The second is that, even if inflation does stay low, the "real" returns (the nominal returns minus inflation) offered by index-linked gilts may look attractive. Currently long-dated indexed issues offer real returns of between 3.5 and four per cent.

The attractions are increased by their tax efficiency. Much of the return from an index-linked gilt comes in the form of tax-free capital gain. There is a small income - two or 2.5 per cent - on most issues. But this means that even top-rate taxpayers will pay a maximum of one per cent in tax per annum.

So, assuming inflation averages four per cent, an index-linked issue with a real yield of 3.7 per cent offers the prospect of a net return of 6.7 per cent a year to the top-rate taxpayer. A building society would have to pay 11.2 per cent gross to offer an equivalent return.

What about conventional gilts as an alternative? It is possible to work out a break-even level inflation rate, above which index-linked issues will be more attractive than conventional gilts.

Graham Cox, economist at Sun Life, says these calculations make index-linked issues look very attractive. For top-rate taxpayers, Greenwell Montagu shows the break-even inflation rates as 1.62 per cent for the 2001 issue; 1.6 per cent for 1998; 1.24 per cent for 1996; and minus 0.4 per cent for the 1994 issue. Most economists would expect inflation to be higher than these rates.

This makes them more attractive to new investors buying at current prices. Instead of the two per cent or 2.5 per cent above inflation that such gilts offered on issue, they now offer real returns of 3.5 per cent plus.

What makes pricing specially difficult is the eight month "gap" in indexation. Rather than use the RPI figures for the month of issue and maturity, the Bank of England calculates indexation on the basis of the RPI eight months before issue and maturity. This is administratively easier for the Bank but is a lot more difficult for everyone else.

The consequence of the gap is that investors are left without inflation protection for the last eight months of the issue. So the higher the expected inflation rate, the lower the real return on index-linked.

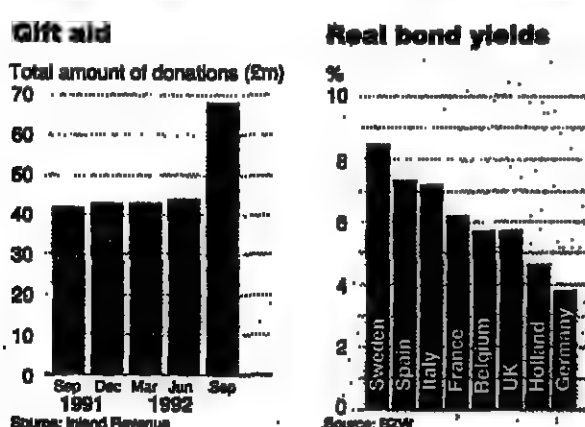
This has a particular effect on short-dated issues since the eight-month gap is a large proportion of the time till maturity. The FT, for example, shows real yields on the basis of five per cent, and 10 per cent, expected inflation. On Friday morning, the 1996 issue had a real yield of 2.85 per cent on the former basis, but only 2.18 per cent on the latter. For the 2001 issue, the yields were 3.94 per cent and 3.32 per cent respectively.

An example of how indexation works in practice might help. The base RPI for the 1996 issue is 67.9 (the figure for July 1980) and if the issue were redeemed today, the relevant index would be April's 138.8 (both figures are given on the FT prices pages, under British funds). Dividing the latter by the former gives 2.044, so an investor who bought £1,000 of stock on issue would be repaid £2,044. The actual price on Friday morning, however, was 194.9. So the market value of the investor's holding would be £1,947.50. The original coupon of two per cent, or £20, would now have more than doubled to around £41 a year.

HIGHLIGHTS OF THE WEEK

	Price y'day	Change on week	1992/93 High	1992/93 Low	
FT-SE 100 Index	2768.1	-34.1	2861.5	2261.0	Gilt funding/rights issues worries
FT-SE Mid 250 Index	2890.6	-42.1	2919.3	2157.8	Profit-taking
BP	228 1/2	-8	304	182	US selling
BPB Inds	182	-20	203	123	Guinness competition worries
Central TV	1740	+65	1740	1050	Stock shortage
Commercial Union	613	-21	641	402	Rights issue worries
Countdown	569	-26 1/2	616	371	Lehman "switch" advice
English China Clays	454	-24	603	330	Competition worries
GUS A	1630	-80	1728	1319	Retail recovery doubts
Guinness	470	-25	644	463	Restructuring/clampdown/governance
IMI	261	-17	306	210	Brokers negative
PowerGen	295 1/2	+20 1/2	295 1/2	196	Coal deal hopes rise
Rank Organisation	692	-24	772	444	Weak results/downgrades
Royal Insurance	276	-13	294	118	US credit rating agency downgrade
Shandwick	20	+5 1/2	43	3	US prospects

AT A GLANCE



Sharp rise in charitable giving through Gift Aid

GIFT AID, the scheme which allows tax-efficient single donations to charity, took off in the third quarter of last year, according to figures issued this week by the Inland Revenue. Donations from individuals increased from £25m in the three months to the end of June to £37.9m, while corporate donations rose from £18.2m to £30.1m.

Average individual donations rose from £1,764 to £2,073, which suggests that the move cannot be accounted for by the cut in the minimum donation allowed under the scheme from £600 to £400.

The figures are included in the latest edition of *The Outline Guide to Charitable Giving and to Establishing Charitable Gift Trusts*, published by Investment and Tax Publishing Services (tel: 0234 218740), which gives full details of the scheme. Price £48 (£42 until February 26).

European bond unit trust

Barclays Unicorn is launching a new European Bond unit trust on Monday. It will be the first onshore unit trust aiming for total return rather than income to invest exclusively in European markets.

According to BZW Investment Management, which will manage the trust, the high real yields available in Europe at present are attractive (see accompanying graph), and there is a hope of capital gain if yields converge towards German levels. The capital value of the fund should also benefit from cuts in German base rates, if and when they happen.

Minimum investment is £1,000, or £30 per month. Initial charge is 3.5 per cent (with a 1 per cent discount during the offer period which lasts until January 29), and annual charges are 0.75 per cent.

Income is distributed in March and September, and the projected initial yield is 3.5 per cent.

Nationwide reports house price fall

Nationwide Building Society says that house prices fell by 4.5 per cent in the fourth quarter of 1992. However, the society says the house price ratio is now 2.9, lower than at any level since 1980. And the prices of new homes are holding up better than those of older properties.

The average new house price fell by 2.2 per cent in the quarter, compared with 5.5 per cent for properties built before 1944.

Pensions salary cap announced

The pensions salary cap for 1993-94 will be £77,400, up from £75,000 in 1992-93 according to Scottish Equitable and Scottish Provident. The figure depends on the inflation rate for December 1992, which was announced yesterday as 2.6 per cent. The cap limits the amount of tax-free contributions employees can make to occupational and personal pension schemes.

Pause for smaller companies

Smaller company shares paused for breath after their recent rally. The County index rose 0.5 per cent over the week to January 14 from 968.43 to 973.25; the Hoare Govett index (capital gains version) fell 0.1 per cent from 1252.69 to 1251.67 over the same period.

Operation Technology overshadows Iraq

IF THERE was a reason why the US stock market reacted so indifferently to news that Allied warplanes had bombed Iraq, it was that investors were too busy kicking up a storm in the technology sector to notice.

The huge gains earned by computer and related technology stocks this week have energised Wall Street, fuelling talk that semiconductor and software companies are rapidly becoming the new bellwethers of the market. A futures trader in Chicago said on Thursday that Intel and Microsoft had replaced General Motors and IBM as the best indicators of market performance.

Given that Intel and Microsoft have come from nowhere in the last decade to challenge IBM's position as the company with the largest market capitalisation in the US, and that both stocks are traded on Nasdaq's electronic dealer-driven market and not on the New York Stock Exchange, traditional home to the nation's blue-chips, the US equity markets appear to be undergoing a quiet revolution.

The evidence is certainly there. The Nasdaq is now the world's second largest stock market, when measured in terms of the dollar value of trading. Last year, \$896.8bn of shares were traded on the market, almost double Tokyo's total.

Although this was still some way short of the NYSE's \$1,700bn, the Nasdaq is catching up fast. Dollar volume grew by 28.4 per cent last year, more than double the NYSE's growth rate.

In terms of the number of shares traded, Nasdaq is also coming up on the Big Board's heels. More than 48bn shares were traded on Nasdaq last year, compared with 51bn shares on the NYSE. It is even closer in terms of average daily volume, which stands at 802m shares in 1991 in the NYSE's favour.

The story behind the figures is that more US investors are trading the stock of smaller, fast-expanding companies which derive much of their growth from technological innovation, and less are trading the big, established industrial giants of the post-war era whose growth more ponderously in synchronisation with the economic cycle.



Also, more investors are trading the new stocks via dealers who quote prices on computer screens and trade over the telephone, as opposed to trading through brokers who complete orders on pieces of paper with specialist market-makers on the floor of the NYSE.

The shifting nature of equities trading can also be seen in the performance of the various indices. Anyone glancing at the financial page this week would have judged that the US markets were going nowhere in a hurry - the Dow Jones Industrial Average rose about 16 points in the first four days of trading and, at 3,287, is still 150 points below 1992's high. The Standard & Poor's 500 has fared only slightly better, and remains down on the year so far.

Yet if someone was told that the Nasdaq's main index was as good a representation of market performance as the Dow or the S&P's 500, the picture changes. The Nasdaq composite index has already risen three per cent this year, to a new all-time high of 686.70 (Thursday's close). Daily volume on Nasdaq so far this year has also been extremely high at 242m shares, almost as much as the 249m shares recorded on the NYSE.

The message in all this seems to be that if you want to find out how investors rate the performance of US companies, it is worth checking to see how the Nasdaq composite is doing, as well as the Dow or S&P's.

Yet this message should carry a warning. Many of the stocks that have lifted the Nasdaq market to new highs are small, growth-oriented, technology-based companies that are viewed by investors as excellent vehicles for speculation. They like to buy them when the Nasdaq market booms, but they are just as quick to get out at the first hint of a setback. As beneficiaries of the market's "hot money", Nasdaq prices are much more volatile than their counterparts on the NYSE.

The recent rise in Nasdaq stocks already has the look of a speculative rally, and a pattern is developing similar to last year. In the first quarter of 1992, investors could not get enough of Nasdaq stocks, and the composite index rose 6.5 per cent. The same stocks, however, suddenly fell out of favour when the rally slowed and, in the second quarter, the composite index dropped 7.5 per cent.

Do not be surprised if something similar happens this year. Analysts this week were already warning that the Nasdaq market was looking a bit "frothy". As one analyst put it: "All of these stocks have come too far, too fast, and will have a come-appearance at some point."

Patrick Harverson

Monday	3252.78	+ 11.06
Tuesday	3264.64	+ 1.89
Wednesday	3283.56	- 1.06
Thursday	3267.88	+ 4.32
Friday		

The Bottom Line/Andrew Bolger

Fortune favours the cautious

FORTUNE is said to favour the brave, but a cautious approach has helped to turn First Leisure, the 10-pin bowling, discotheque and tourist attractions group, into one of the classic acts in the hard-hat leisure sector.

While many groups expanded rapidly during the 1980s, only to collapse under the burden of debt when the consumer spending boom ended, First Leisure was careful to keep its gearing low.

The company nevertheless used its strong cashflow to invest heavily in large discotheques, both in city centres and new edge-of-town sites, and its resorts, such as the Blackpool Tower, pier and Winter Gardens.

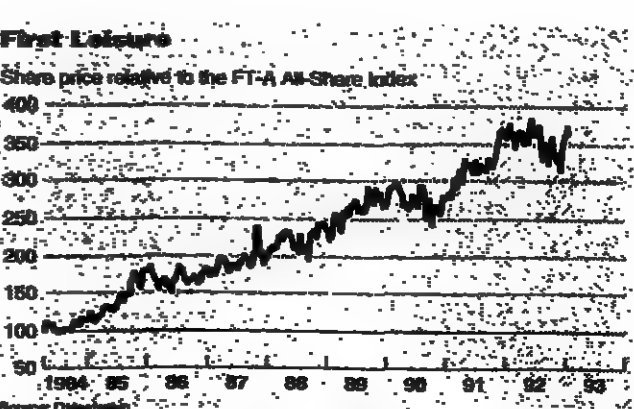
John Conlan, chief executive, has also helped bring 10-pin bowling up to date with the group's Super Bowl sites. These aim to attract families, with simple scoring systems, fast food and electronic games.

The resilience of these businesses was demonstrated this week when First Leisure maintained its 10-year record of profits growth. Even more

impressive, in spite of what it described as "increasingly adverse trading conditions", the group reported a slight increase in its net profit to sales margin of 29 per cent.

First Leisure started in 1983 as a £37.5m buy-out from Forte by Lord Delfont. The 55-year-old, who is still life president of the company, stepped down as chairman last year, to be replaced by Lord Rayne, a comparative strapping at 74. Since flotation in 1983, the group's market value has grown more than tenfold and stands at over £600m.

Inevitably this sort of quality comes at a price. The shares trade on a prospective multiple of nearly 30, a hefty premium to the market. The main question concerning the group is whether it can continue to grow at this rate, without making a significant acquisition or finding a new business area.



Conlan emphasises the considerable scope for organic growth in the existing businesses - particularly 10-pin bowling. The group spent £34m on capital investment last year, and will spend as much again this year. Some 22m of last year's total went into refurbishment of six of the group's largest discos. The venues were closed for several months, but the group is confident that the improvements will be justified by attracting customers when consumer spending does recover.

The fall in property values in

the south-east of England gives the group a chance to increase its cover particularly around and within the M25, where it has been previously been under-represented.

Lord Rayne, chairman, is enthusiastic about the group's increasing scope to benefit, as it expands, from economies of scale in buying its drinks, goods and equipment such as amusement machines. It is investing £3m in electronic point of sale technology and hopes to use it to emulate large retailers by improving margins and stock control.

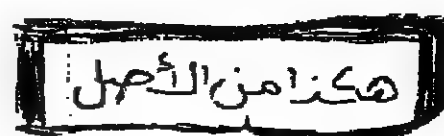
To that end the group last year hired Graham Coles as finance director. Before spending a brief spell at Amber Day, the discount retailer, Coles was finance director for three years with BHS.

Two years ago First Leisure took its first, tentative, step into continental Europe by

buying a large discotheque in Amsterdam. The venue is trading profitably, but Conlan said its main benefit was in training managers in a foreign market. He is aware of the importance of understanding different cultural backgrounds to making a success of a leisure venue. Not least for that reason, he is likely to concentrate on the south-east of England before venturing further into Europe.

The company has identified two possible new areas for expansion - mass-market health and fitness clubs, and bingo. The huge high street bingo market is carved up between Bess and Rank and neither seems a likely seller.

Conlan is interested in bringing bingo to more upmarket edge-of-town sites. Analysts are not sure that bingo can be transferred from its present high-street environment of converted cinemas and the like. But one said he knew that First Leisure would do its homework, and only make the move if it was sure of success. That sort of confidence goes a long way to explaining the group's premium rating.



FINANCE AND THE FAMILY

The threat to interest relief on mortgages

JUST two years after Norman Lamont, the chancellor, abolished higher rate tax relief on mortgage interest, speculation is mounting that the sacred cow of Miras, mortgage interest relief at source, might again be under threat.

With a public sector borrowing requirement approaching £37bn this financial year, and expectations that it might top £50bn in 1993-94, there is no shortage of guesses about the measures the government might take to reduce it.

The cost of Miras to the government has been falling but it is still expensive. It is expected to cost the Treasury £2.2bn this year, down from £6.1bn in 1991-92. The fall is a reflection of the sluggish housing market and the lowering of interest rates last year. In 1990-91, the last year of marginal rate tax relief, the cost of Miras peaked at £7.7bn.

Miras has been criticised for being an inefficient subsidy since it is applied at a flat rate to all borrowers, regardless of financial position.

It has also been blamed for helping to keep house prices high. But two measures have watered down the distortionary effects on the housing market. The first was the £30,000 ceiling on loans, increased from £25,000 in 1988 but not raised since. This was followed in 1991 by the abolition of higher rate tax relief. The announcement that dual mortgage tax relief would be abolished in 1988 was highly inflationary but its disappearance has now helped to reduce the importance of Miras to home buyers.

Nevertheless, experts believe that abolishing Miras might have a disastrous effect on confidence in the housing market, unless it were accompanied by other measures, for example encouraging first-time buyers.

There are 9.7m people who benefit from Miras. The greatest number - 5.6m - earn between £10,000 to £25,000. None would welcome, but many could afford, to lose the existing relief - £637 a year on a £30,000 mortgage - particularly if it were phased out rather than removed in one go.

Those who would be most affected by abolition are at the bottom end of the market. The interest at 8.5 per cent on a

£50,000 mortgage is £354 a month and Miras brings this figure down to £301 a month - a 17 per cent difference.

Ian Darby, of mortgage brokers John Charcol, says that this could make the difference between buying or renting for prospective first-time buyers. At current rates of interest, there is little difference

more expensive.

Michael Shaw, chief executive of Britannia building society and chairman of the Building Societies Association, agrees. "I would rather the government left Miras untouched because in the present state of the market, any changes could be disruptive," he said.

Scheherazade Daneshkhu looks at the cost of Miras, increasingly seen as a burden by government

between the cost of buying or renting and most people would therefore prefer to buy.

He says: "Removing Miras might tilt the balance again against buying. Those at the middle and top end of the market are reliant on the bottom end to get the chain moving."

Estate agents have been reporting increased activity in December and January. David Goldsworthy, president of the National Association of Estate Agents, says that it would not be helpful of the government to abolish Miras when such interest has just started to pick up.

"House prices would fall and it could make the negative equity situation worse," he says.

Mindful of the possibility of such an effect, there have been a number of suggestions to change Miras but to use the savings to galvanise the bottom end of the market.

Halifax, the UK's largest lender, has suggested raising the ceiling for first-time buyers only. The extra relief could then be phased out over a number of years. But this measure might still prove more costly than the existing system unless mortgage relief was withdrawn from other borrowers. Halifax suggests phasing out tax relief for existing owner-occupiers.

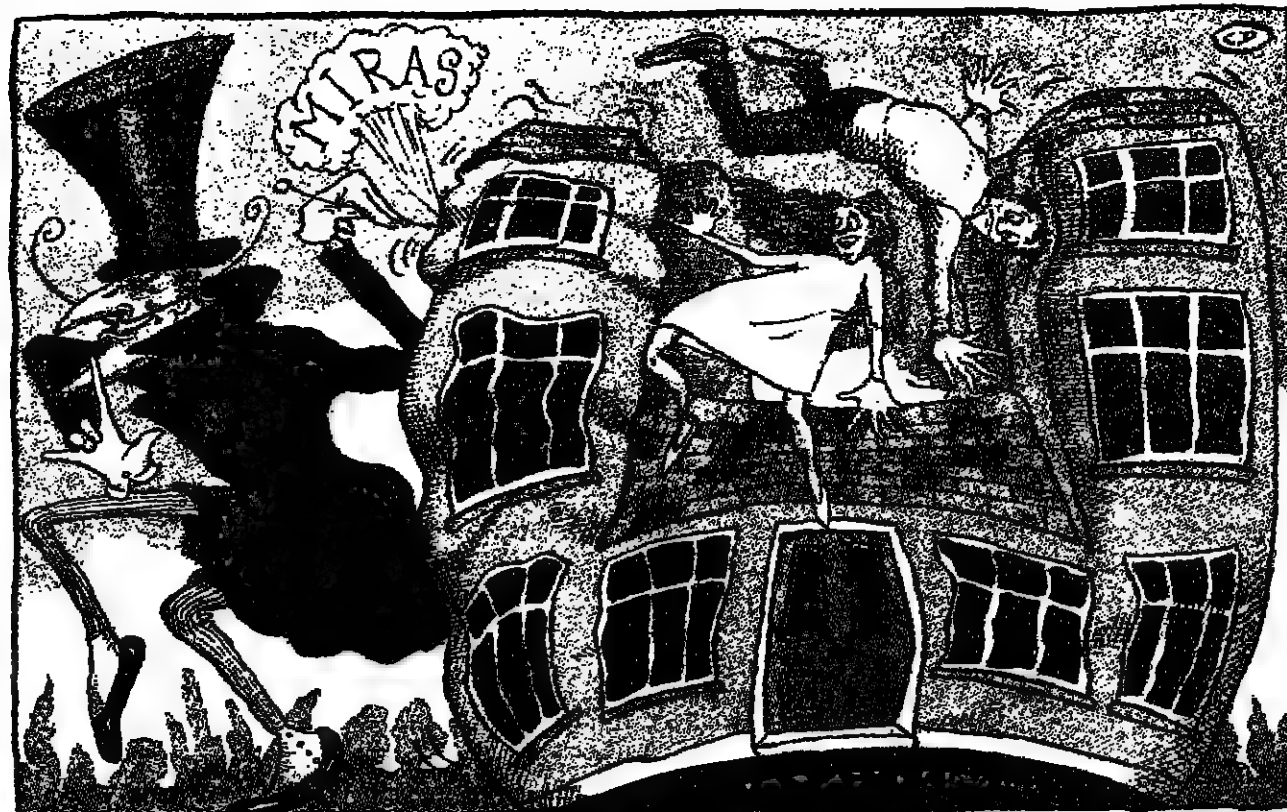
However, there is concern about penalising those who already have mortgages. "We would want existing borrowers to be protected," said Adrian Coles, of the Council of Mortgage Lenders.

"We are in deep recession with high arrears and repossession. It would not be sensible to make existing mortgages

Short-term incentives, however, carry their own danger. The temporary abolition of stamp duty on properties worth up to £250,000 at the end of 1991, is now agreed to have been little short of a disaster. "It didn't create more sales - it just bunched them up. There was a rush of activity and then the market went dead," said Paul Burgin, of Abbey National, the second largest lender. "We welcome moves to help the housing market but not short-term measures that distort it."

John Wriglesworth, building society analyst at UBS Phillips and Drew, is another critic of Miras but thinks that withdrawing it without a substitute would cause psychological damage to a stagnant market. His idea is to withdraw Miras but give instead a lump sum grant of £3,000-£4,000 to all house buyers to encourage movement in the market.

In order to avoid the stamp duty syndrome, when buyers rushed to complete before the tax was reimposed last August, he says the government should not announce the suspension



of the lump sum payment long in advance. But it could be removed once the housing market started to pick up.

Daniel Dorling, housing research fellow at the University of Newcastle-upon-Tyne, regards Miras as a waste of money. "The problem with Miras is that only a small pro-

portion of it goes to the people who need the relief. It doesn't help young buyers. It is a badly-targeted, inefficient subsidy."

He suggests phasing Miras out by reducing the £30,000 ceiling by £1,000 each quarter on mortgages. The money saved could be used to support

the bottom end of the market by buying up properties for social housing.

Dorling does not believe the effect on the property market would be negative but prospective housebuyers could be given an incentive in the form of the removal of stamp duty. It is clear that the

government would have to apply any changes to Miras carefully so that confidence in an already fragile housing market is not further undermined. It may begin with gentle tinkering of the subsidy but it seems increasingly certain that Miras's days are numbered.

One Number Every Investor Needs To Know.

How does Miras work?

MIRAS is effectively a subsidy to those who take out a mortgage to buy a home. The mortgage holder gets tax relief on the interest he pays for the loan, but there is a ceiling on the size of the loan eligible for tax relief - currently £30,000. The amount of relief is also limited to 25 per cent even for top-rate taxpayers.

If you were to take out a mortgage for £30,000 at an interest rate of 8.50 per cent the amount of interest you would have to pay for a year would be £2,550. Tax relief at 25 per cent on this amount would be £637.50. So the total interest you would pay would be £1,912.50.

The tax relief for someone taking out a £100,000 mortgage would still be £637.50 because of the £30,000 ceiling on the size of the loan. Higher rate taxpayers cannot claim any extra relief.

In 1983, the way in which the tax relief was applied changed to become mortgage interest relief at source (Miras). The borrower pays interest net of the basic rate relief and the lender reclaims the tax relief from the Inland Revenue. Before the change, relief was given by tax offices through tax assessments.

By ringing +44 81 643 7181 you can take advantage of the Financial Times Annual Report Service.

This offers, by return, the Annual and Interim Report of any company marked with a ♣ in the London Share Service columns of the FT. The service is quick, convenient, free, and now over 250 companies' Report and Accounts are immediately available.

Serious investors know that the Annual Report is vital to understanding a company and making investment decisions, but until now has not always been easily obtainable.

The lines are open 24 hours a day, 7 days a week, or you may fax your request to +44 81 770 3822

Remember to check that the company is marked with a ♣ in the FT London Share Service, and quote the code number at the bottom right-hand corner of those pages.

INVESTMENT TRUST PEPs

PEPS

OVER 11% TAX FREE

Call us on 071-522 2111 or return the coupon to find out:

- Why our Income Plan is recommended in Best PEP Advice in the High Income Category.
- How you can earn income of over 11% TAX FREE from a spread of investment trust income shares.
- How you can best harness the excellent performance of investment trusts and benefit from independent selection.

* Based on Fidelity Fund Income Trusts' quoted yield prior to January 1991.

GUINNESS FLIGHT

INVESTMENT TRUST SELECTOR PEP

Return the coupon now for details of the INVESTMENT TRUST SELECTOR PEP or call on 071-522 2111.

Investor Services Dept.,
Guinness Flight Fund Managers Limited,
5 Garsfield Street, Tower Bridge, London SE1 2NE.

Title Initials Name

Address

Postcode

Post performance is not necessarily a guide to the future. The value of this investment and the income from it may fall as well as rise and is not guaranteed. Also disclosure of charges and expenses means you may not get back the amount you invested. Tax details described are those currently applicable and will vary from one investor to another and may change in the future. Issued by Guinness Flight Fund Managers Limited a member of AGF.

No FT...no comment.

FINANCE AND THE FAMILY

Building a retirement nest egg

RETIREMENT saving for the self-employed takes discipline. But it can be done much more effectively, and more cheaply, if the discipline comes from the saver and not the insurance company. That means using single premium pensions, rather than the more heavily sold and arguably more convenient regular premium contracts.

At this time of year, people with an irregular income will normally start to put some of it into a personal pension. This is most administratively simple if the pension is a regular premium arrangement, where you have contracted in advance to make fixed payments at fixed intervals. The other big advantage of this method is "pound-cost averaging". By saving regularly in small amounts, the problem of timing is avoided, and, if the market is turbulent, then at least some of the premiums will be paid when values are at their cheapest.

If you opt to buy a single premium pension each year, you will need to do so between January and March. But James Higgins of Chamberlain De

Broe points out that the first few months of the year are not traditionally the best time to invest in equities. The standard stock market saw is to "sell in May and go away".

So regular premiums might be better for the totally unsophisticated. However, there are limits to this investment argument. Firstly, single premiums allow the investor to choose a different manager each year, diversifying risk, and spreading expertise. Diversification is, if anything, even more desirable than pound-cost averaging.

Taking the pension on retirement could get very difficult if too many companies are used. But using five or six fund managers, rather than one, for managing pension funds, can only increase the security of the final retirement income.

Then there is the fact that, in the words of John Cole, of Berry, Birch & Noble, "a pension is no more than an investment which has tax advantages and also tax restrictions". It should be treated, he says, as a part of a wide portfolio of investments.

As pensions justifiably cost more to

administer than other forms of saving, that would point to making regular savings through another vehicle, and topping up annually with single premium pensions where necessary. For example, regular savings into a unit or investment trust PEP provide much the same investments as a personal pension. Contributions are not

John Authers reports on single premium pensions for the self-employed

"grossed up" when they are paid in, but the final payout can be taken at any time and is more tax-efficient than a pension payout.

Those who do not opt for a PEP saving scheme might still take out a regular premium pension plan for a relatively small amount. This limits the danger that you will be unable to keep up with a high regular premium, and then face stiff penalties.

This is the approach recommended by David Harris of Chantrey Vellacott. He says: "In general, I would attempt to encourage individuals to pay around 25 per cent of their total annual contributions by regular premiums and then undertake a fuller, additional, planning exercise to use up as much of their total retirement relief as possible each year."

Personal pensions come in almost as broad a range of sectors and investments as unit trusts, so this allows enthusiastic investors the chance to make some imaginative choices.

It is the expense which makes single premiums better for most people. Typically, the commission on a £100 per month regular contract works out at £540, while for a £5,000 single premium it would be £280 - you would need to pay regular premiums a long time to counterbalance this.

The "allocation rate" plays an important part of this - this refers to the proportion of premiums paid which are actually put towards providing retirement benefits. According to Harris, with regular contributions, allocation rates for an initial period

(usually one or two years) are between 50 and 70 per cent. After that, around 95 per cent will go towards benefits. This can increase to more than 100 per cent for young lives, or for large contributions (Harris suggests £500 per month or more).

By contrast, single premium contributions under £5,000 usually have between 95 and 97 per cent allocation rates, according to Harris, and this can rise to 100 per cent for contributions of £15,000 or more.

Other charges to watch out for on regular premium contracts are the standard bid-offer spread - almost always five per cent - plus annual management charges and flat plan charges.

Cole identifies one typical client for whom single premiums are always preferable - the person who takes early retirement and then continues to work on a freelance or consultancy basis. Both the level of income each year from such an arrangement, and the timespan before the client wants to start drawing the pension are unknown, so a regular premium policy cannot be justified.

The Week Ahead

Photo-Me International, the world's largest photo-booth manufacturer and operator, is expected on Monday to report a marginal increase in interim pre-tax profits from £8.7m to about £8.9m.

Analysts will be interested in the degree of increased competition in the UK from overseas companies, and the performance of new products.

On Tuesday, Eurocamp, the camping holiday company floated in July 1991, is forecast to reveal pre-tax profits for the year to October of about £9.4m, up from £8.2m. Lower interest payments, increased demand and broader markets - especially Germany and the Netherlands - all lie behind the rise.

Yorkshire Tyne-Tees, the merged ITV company, should announce pre-tax profits of

about £17.5m for the year to September, with two months included from Tyne-Tees. This would be a little below original estimates of about £19m, but still a solid base to begin tackling its new franchise.

Anxiety about the preference dividend at Kwik, the fruit machines to nursing homes group, seems set to prove unfounded at the announcement of the annual results on Wednesday. Forecasts are for a pre-tax loss of about £3.5m, after some £6m of exceptional, against a profit of £12.4m.

The seasonality of Park Food Group's main business (selling Christmas hampers) means it regularly reports pre-tax losses at the interim stage. A smaller first-half deficit is expected to be announced on Friday, down from £4.4m to £2m.

COMPANY NEWS SUMMARY

TAKE-OVER BIDS AND MERGERS

Company	Value of bid	Market price	Price before bid	Value of bid	Bidder
Prices in pence unless otherwise indicated					
Bovis	125	125	108	53.1	Laporte
Do. Pl.	112	111	101	45.7	Laporte
Owners Abroad	108	113	109	180.8	Abnors
Do. Conv. Pl.	103	205	179	53.8	Abnors

*All cash offer.†Cash alternative.‡For capital not already held. § Unconditional. **Based on 2.30 pm prices 15/1/93. ††Shares and cash. ‡ Price at suspension.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)	Earnings per share (p)	Dividend per share (p)
Aberforth Smaller	Dec	4,320	(1,060)	5.80
Barr (A G)	Oct	5,970	(3,310)	21.67
Burndens Investments	Oct	5,780	(4,330)	38.5
Danmame Electrical	Sept	1,522	(1,250)	23.75
Devonport	Sept	849	(842)	5.1
First Leisure	Oct	31,100	(30,370)	15.83
Informa	Oct	3,800	(1,500)	8.5
Kershaw (A & Son)	Oct	9,900	(9,930)	27.9
Love (Robert H)	Oct	867	(297)	L
M&W	Sept	2,030	(2,120)	8.17
Microgen	Oct	8,240	(7,280)	13.8
Midland & Son	Sept	4,540	(5,510)	-
Neobionics Tech.	Sept	3,000	(2,620)	7.65
Rank Organisation	Oct	239,100	(250,500)	37.8
Securicorp	Sept	54,900	(53,000)	24.3
Security Services	Sept	37,000	(30,400)	20.7
Southern Business	Sept	15,300	(14,440)	10.62
Torax Hires	Oct	335	(216)	L
Treast	Sept	1,270	(1,180)	9.37
TSG Group	Oct	43,000	(47,000)	0.8
Union Square	Mar	483	(10,480)	L
Walton & Philip	Oct	10,330	(11,800)	21.7
Windeer	Sept	618	(1,200)	1.88

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)	Earnings per share (p)	Dividend per share (p)
Aberforth Split	Dec†	804	(842)	4.0
Barbour Index	Oct	2,710	(2,780)	2.55
Birds Group	Sept	441	L	-
Carole Engineering	Sept	3,680	(2,870)	1.8
Gray Electronics	Oct	17,830	(536)	0.3
Dalapak Foods	Oct	1,800	(1,700)	1.5
Dicos	Nov	14,200	(117)	1.0
Dudley Jenkins	Oct	353	(254)	2.71
Ellis & Seward	Oct	6,600	(7,500)	2.25
First Spanish Inv.	Nov†	293	(270)	-
Goode Durrant	Oct	1,800	(2,640)	2.18
Grosvener Inc	Nov	319	(-)	2.0
Hadfield Industries	Sept	367	(536)	L
Hampden Industries	Sept	1,680	(1,820)	0.4
Howden Group	Oct	6,050	(5,810)	0.78
Jacques Vert	Oct	188	(128)	1.0
James Broad	Sept	3,280	(2,480)	3.3
Kell Energy	Sept	628	(4,130)	L
MITE	Sept	948	(84)	1.5
Nobo Group	Oct	622	(82)	1.5
Smith (David S)	Oct	15,200	(3.1)	12.2
Stanley Leisure	Nov	3,580	3,730	1.82
Tonbridge	Oct	47,070	(43,780)	1.80
Trenchardwood	Apr	16,400	(2,300)	-
West Trust	Mar	25	-	-
Wyke Group	Oct	121	(278)	0.5

(Figures in parentheses are for the corresponding period.)
†Dividends are shown net pence per share, except where otherwise indicated. L = Loss. ‡ = Net Revenue.

RIGHTS ISSUES

West Trust to raise £400,000 via a 2-6 basis at 3p.

OFFERS FOR SALE, PLACINGS & INTRODUCTIONS

Laporte to raise £34.4m via a placing and 1-10 open offer at 80p per share.

RESULTS DUE

Company	Announcement due	Dividend (p)	Dividend (p)	Dividend (p)
		Int.	Final	Int.
FINAL DIVIDENDS				
Aberdeen Trust	Monday	1.0	1.5	1.5
Central Motor Auctions	Tuesday	1.0	3.0	1.8
Dejan Holdings	Tuesday	12.0	13.0	13.0
Devonport Vernon	Tuesday	1.8	2.5	1.5
Eurocamp	Tuesday	-	5.3	3.45
Barroff	Tuesday	2.5	4.7	3.0
First Philippine Inv. Trust	Monday	-	0.55	-
Heath	Tuesday	-	0.86	-
Hill & Smith Holdings	Thursday	2.1	3.9	2.1
Jupiter European Inv.	Monday	-	0.1	0.5
Lee (Arthur & Son)	Tuesday	1.05	4.25	1.05
London & Clydeside	Wednesday	1.8	5.2	1.8
London Scottish Bank	Thursday	0.67	1.57	0.95
Malvern UK Index Trust	Friday	1.25	2.0	1.75
RCO Holdings	Wednesday	0.8	0.6	-
Selective Asset Trust	Friday	4.2	8.4	4.62
Summitone	Tuesday	0.62	-	-
St. Andrews Trust	Friday	0.85	1.35	0.85
St. David's Inv. Trust	Tuesday	4.86	8.7	-
Yorkshire - Tyne Tees TV	Tuesday	3.3	8.7	3.3
INTERIM DIVIDENDS				
Abnors	Monday	-	0.8	-
Aerospac Engineering	Monday	-	0.5	-
AIM Group	Tuesday	1.5	5.0	-
Beeles Hunter	Wednesday	2.3	5.96	-
British Thomson Holdings	Monday	-	-	-
Clark (Matthew)	Wednesday	6.5	9.25	-
Colson	Tuesday	0.78	1.75	-
Consolidated Gold Fields	Tuesday	3.1	2.8	-
Dudley Jenkins Group	Tuesday	-	-	-
French Property Trust	Wednesday	-	-	-
Garmon American Securities	Tuesday	1.0	1.0	-
Jays Hotel Group	Wednesday	-	-	-
Olden Convertible Trust	Wednesday	4.0	4.5	-
Park Food	Friday	2.2	5.0	-
Peel Holdings	Monday	1.0	1.0	-
Photo-Me International	Monday	1.5	3.1	-
Ransom (William & Son)	Wednesday	0.52	1.8	-
Real Time Control	Monday	-	3.0	-
Resort Hotels	Wednesday	1.2	2.25	-
Ridgeway Oil & Gas	Thursday	-	-	-
Rubbion Group	Thursday	-	-	-
Servic	Thursday	-	-	-
Sheld Group	Friday	-	-	-
Star Computer Group	Thursday	-	-	-
Stewart Zigomax	Thursday	-	18.75	-

*Dividends are shown net pence per share and are adjusted for any intervening scrip issues.
Reports and accounts are not normally available until about 6 weeks after the board meeting to approve preliminary results.

Demand continues for fixed-rate mortgages

FIXED-RATE mortgages offers continued to be issued this week to satisfy increased demand while interest rates remain low.

Anne Gunter, of National Westminster bank's mortgage services, says nearly half the bank's customers chose a fixed-rate mortgage last year. The bank has launched three more fixed rate offers, which apply to endowment and pension mortgages only.

The choice is between a fix of 7.99 per cent until February 28 1995, one at 8.99 per cent until the end of February 1997 or 9.29 per cent until February 28 2000. All carry a fee of £250. The redemption penalties are two months, three months and six months respectively.

Halifax has issued three new short-term fixed rates, two of which are aimed at first-time buyers. They can choose to pay 6.5 per cent fixed until October 31 1994 if they borrow up to 90

per cent of the value of the home, or 6.7 per cent for the same period on a maximum loan of 95 per cent. Fixed rates are available on all types of mortgage and an insurance-related product has to be taken out. The fee is £200 and the early redemption penalty is two months' interest. A fixed rate of 7.5 per cent is available until April 30 1995 on all mortgage types.

Leeds Permanent has issued a three-year mortgage fixed at 7.45 per cent, but it is restricted to loans on not more than 70 per cent of the value of the home. Those wanting an 80 per cent loan can fix at 7.75 per cent. The fee for either mortgage is £195 and they are available on all types of loan. The borrower has to buy two insurance-related products. Early redemption charges are staggered annually.

Portman Building Society is launching a first-time buyer's mortgage from Monday, avail-

able on repayment mortgages as well as others. Buyers can choose between two types of offer. They can either accept a discount of two percentage points below the society's variable base rate, currently 8.7 per cent, for 12 months - the rate is therefore 6.7 per cent - or they can fix at 6.7 per cent until March 31 1994. The mortgages come with two years redundancy cover but building and contents insurance has to be taken out. There is no application fee.

Portman is offering a 7.5 per cent two-year fix, distinguished by requiring no application fee. It is available on all types of mortgage, and is not dependent on the borrower taking out insurance-related products. There is a three months' redemption penalty on these mortgages.

Nationwide is also offering a two-year fix at 7.35 per cent, available on repayment and endowment mortgages. The



Fixed-rate mortgages are continuing to attract potential homeowners

arrangement fee is £195 and Nationwide's mortgage payment cover policy has to be taken out. Early redemption penalties are six months in the first year, four in the second.

Two fixed rate deals became available from Birmingham

Midshires this week. The first is 7.35 per cent fixed for two years for an arrangement fee of £195. The early redemption penalty is three months interest. Those wanting to fix for a longer period may prefer to pay 8.49 per cent fixed until the

end of January 1995. The fee is 7.35 per cent with a penalty of six months' interest payable on early redemption.

Scheherazade Daneshkhu

News in Brief

CONFEDERATION PEP Managers is launching an income PEP, which gives investors the choice of three unit trusts: high income, growth and smaller companies. The high income trust is eighth out of 30 in the UK balanced sector over three years to January 1, with growth of 18.1 per cent (offer-to-bid with income reinvested). The yield is 5.9 per cent.

The growth trust is 38th out of 83 in the UK general sector over three years, with a rise of 15.6 per cent. The yield is 3.9 per cent. In a poor period for

smaller companies, Confederation's fund is 28th out of 56 in its sector over three years.

All three trusts have initial charges of 5.7 per cent and annual charges of 1.25 per cent. The only further charges for PEP investors are £25 plus VAT for second (and subsequent) withdrawals within a year, or for those who want annual reports. Minimum investment is £1,000.

Scottish Life is offering a prod-

uct to help the calculations of those who are not in a final salary pension scheme. Talisman Retirement Targeting will work out what level of contributions into a personal pension are needed to get a given percentage of salary at retirement. The system will allow for factors such as the need for a spouse's pension.

Northern Rock Building Society has relaunched Go Direct, its instant access postal

account. It is paying 8.55 per cent gross on £20,000 and above, 8.3 per cent gross on £10,000 to just under £20,000 and 8.05 per cent gross on a minimum investment of £2,000.

Coventry Building Society is offering a limited issue two year fixed rate account which pays 8.7 per cent gross on £40,000 and above. The rate on £25,000 to £40,000 is 8.5 per cent gross and on a minimum balance of £1,000, it is 8 per cent gross. Withdrawals during the

fixed rate period will be subject to 90 days' loss of interest.

Family Assurance has launched an ingenious new pension fund, aimed at people in the last decade before retirement. It will use both cash funds and index-tracking equity funds to offer an alternative to more traditional "with-profits" contracts.

The Retirement Countdown Bond can be used either as a personal pension or as a free

standing additional voluntary contribution (FSAVC).

A proportion of money invested will be placed in a fixed interest and cash fund managed by Family, while the remainder is invested in the Morgan Grenfell FT-All Share Index tracker fund. For those within two years of retirement the fund is entirely invested in cash.

Minimum investment is £2,000. Charges include a 980 start-up fee, a 1 per cent bid-offer spread, a 1 per cent fund management charge and monthly administration charge of £1.50.

FULL £6000 PEP

THE NEW M&G MANAGED INCOME FUND

OFFER CLOSES 26th FEBRUARY 1993

For the first time M&G will be launching a new monthly income fund. The Manager will be able to select the best investment opportunities from M&G's range of funds to achieve the Fund's objective.

The Manager may invest up to 40% in funds with the security of investing in fixed interest and government stocks. This Fund should be ideal for PEP investment.

Pre-register now for details by returning the coupon below or by telephoning

(0245) 390 900 (business hours)

To: The M&G Group, PO Box 111, Chelmsford CM1 1FR.

Please send me details of your new PEP offer to be launched in early February.

NO SALESMAN WILL CALL

Mr/Ms/Ms	INITIALS	SURNAME
ADDRESS		
POSTCODE		

Not available to residents of the Republic of Ireland.

We never make your name and address available to unconnected organisations. We will occasionally tell you about other products or services offered by ourselves and associated M&G Companies. Tick the box [] if you would prefer not to receive this information.

Issued by M&G Financial Services Limited (member of IMRO).

The M&G Managed Income Fund is managed by M&G Securities Limited (Member of IMRO and LAURA).

THE NEW M&G MANAGED INCOME PEP

THE TESSA TO BEAT

9.49%
P.A. GROSS PREMIER TESSA

Amounts transferred to Premier TESSA, Year 1: £1,000; years 2 to 4: £1,000; year 5: £600. Total £3,600. Feeder Account pays 7.25% p.a. gross, £3.25 p.a. net. Interest rates may vary. Allied Trust Bank, 97-101 Cannon Street, London EC3N 3AD.

Invest the maximum of £9,000 at the outset and enjoy an exceptionally high tax-free return from our Premier TESSA. Maximum annual amount transferred from Feeder Account to Premier TESSA automatically.

For full details telephone 071 626 0879 at any time.

ALLIED TRUST BANK

... putting your interest first

هكذا من الأصل

FINANCE AND THE FAMILY

Investment trusts

The virtue of consistency

Why TR City has proved popular with private investors

CONSISTENCY is a much-prized virtue in investment trusts and TR City of London has certainly delivered it. The annual dividend has been increased in each of the last 25 years and over ten years, its share price total return has been the fourth best of all investment trusts, with growth of 702.6 per cent.

This success has made the UK income trust very popular with private investors. The number of shareholders has quadrupled from 6,000 to nearly 24,000 over the last five years, and increased by more than 50 per cent in 1991-92 alone. TR estimates that institutional investors now own less than 20 per cent of the trust.

But success can bring problems. The trust's shares are now standing at a 3 per cent premium to net assets, which means that private investors might be attracted to other trusts, such as Foreign & Colonial, which are standing at a discount. And the 25-year record of dividend increases may well be broken this year: the trust is forecasting a maintained payout.

Like many trusts, the name of TR City of London dates

back to the company's 18th century origins.

The City of London Brewery business was founded in 1860, and carried on brewing until 1932. Although the company became an investment trust at that date, City of London still owned pubs until 1970.

Then Touche Renmant took over the management and the company's name was changed

to TR City of London in 1982. The city tag does not mean that the group's investments are concentrated on the square mile. The investment objectives are threefold: to have a higher yield than the FT-A All-Share Index, to get long term growth of capital and income in excess of the All-Share, and to invest predominantly in the shares of large companies.

A list of the 10 biggest stocks in TR City's portfolio would contain names with which the small investor will be familiar: assets are in FT-SE 100 constituents; a further 23 per cent is in the recently-formed FT-SE Mid-Cap Index; and only 2 per cent in smaller companies.

Although the trust has a portfolio yield around 20-25 per cent above the All-Share (which means it is currently about 5.4 per cent), it does not concentrate exclusively on the "high yield" area of the market. Income is boosted by a 5.5 per cent holding in convertibles and 1.5 per cent in fixed interest securities.

BT, BAT, Shell, BP, British Gas, BTR, Smithkline Beecham, Allied-Lyons, ICI and Grand Met.

The breakdown by sectors, as of June 30, was capital goods (16.4 per cent), consumer goods (33 per cent), oil & gas (8.4 per cent), financials (14.3 per cent) and others (27 per cent).

Around 76 per cent of the

current dividend yield of 5 per cent is one of the main reasons why many investors pick the trust for their personal equity plans, since it offers some real tax benefits even after allowing for the charges.

The trust's long term performance also helps, although this has been boosted by the narrowing of the discount.

Over five years, growth has been 138.97 per cent, according to Micropal (mid-market to mid-market with income reinvested), placing TR City top of the UK income growth sector.

In the short term, relative performance has dropped a bit with the trust, seventh out of ten in the sector over the year to January 1993.

Could there be any reason for this? A change of manager is always a potential source of concern for investors and this might especially be the case with TR City, since Michael Moulton (one of the dozens of the sector) stopped managing the trust in July 1991.

The new manager Job

Grieverson Grant as a graduate trainee in 1983. A short spell at Cornhill Insurance followed, before he joined TR in 1987. He took over the management of the trust in July 1991, having been deputy for the previous three years.

However, Moulton is still part of the investment trust management team at TR. And Lewis Aaron, senior investment trust analyst at SG Warburg Securities, is not concerned at the change.

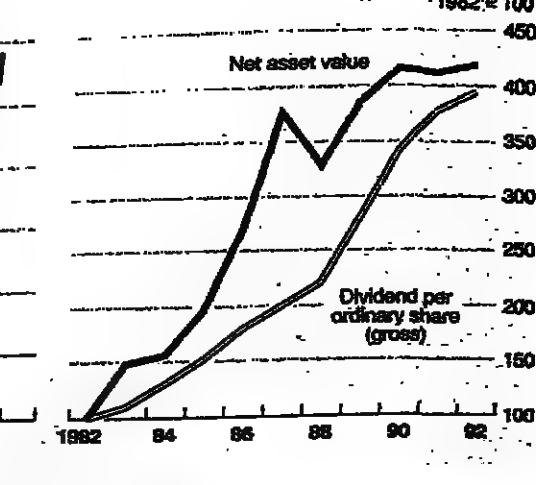
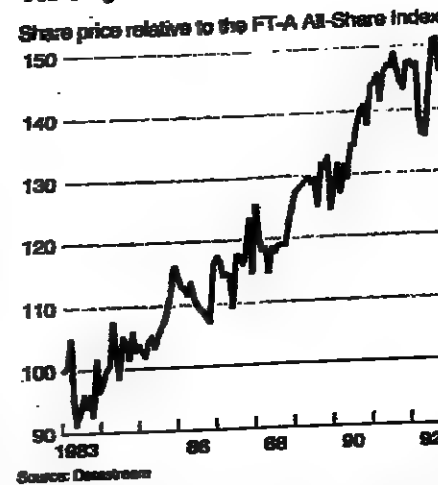
"At most of the big houses, it is not just the individual fund manager's view, it's the house view on stocks," he says.

"Job Curtis has been involved with the trust before and I see no reason at all for the performance to deteriorate," adds Aaron.

Curtis says the trust's investment approach has three strands. The first is to be risk-averse and wary of companies with poor corporate governance. "The directors do have a small 'black list' on which companies such as Maxwell appeared," says Curtis.

The second strand is value investing - the aim of buying shares for less than their intrinsic worth. Curtis looks for companies with

TR City of London



undervalued assets such as land, mineral rights or brand names.

He also wants companies with high free cash flow, high return on assets and high research & development spending.

"Value eventually gets recognised," says Curtis "either by investors generally, by the management in running the company better or by a takeover". TR City claims a high "strike rate" in selecting takeover targets recently.

The third strand of the approach is income investing, given the need to maintain the higher than average yield. With 125 shares in the portfolio, the trust certainly has a broad spread of investments, although its larger company emphasis means one might expect some

underperformance if the long-awaited "smaller companies revival" actually occurs.

But Lewis Aaron of SG Warburg says "It's a good long term investment, not one for short term capital gains, but a good steady core holding. If, as a private investor, you wanted a UK trust, you would probably pick this one."

Key facts
The trust has gross assets of £260m and a market capitalisation of £243m, as of January 13. The dividend yield is 6 per cent. TR's annual management charge is 0.39 per cent, based on a 3 year rolling average of assets. There is a modest amount of gearing, with £18m of debenture stock. Net asset value per share on January 13 was 123p, when the share price was 137p.

Board
All board members are independent. The chairman is Jim Titcomb, a director of English China Clay, and the other members are Sir Robin Dent, chairman of the Public Works Loan Board, George Duncan, chairman of ASW Holdings and David Hubbard, chairman of Powell Duffryn.

Savings scheme and PEP details
The minimum monthly investment into the savings scheme is £25, or £250 for lump sums. There is a 1 per cent transaction charge.

For the personal equity plan, the minimum monthly investment is £50 and the lump sum £1,000. There is a transaction charge of 1 per cent and an additional annual management charge of 1 per cent.

'Guaranteed' products

GUARANTEED products offer investors variations on the slogan "stock market growth or your money back". A new round has been launched this month.

National & Provincial Building Society is offering a Guaranteed Equity Reserve account, which promises the rise in the FT-SE 100 Index in the form of "interest" which can be received at the end of a five year period.

There is a slight twist on the normal formula, in that the final Footsie figure will be based on the average level of the index over the final six months of the product's life (September 1, 1997 to February 28, 1998). As a minimum, investors will receive their money back on maturity in March 1998.

Like most other products in this area, this account does not pay any income, nor does it reflect the income on the Footsie (which at 4.5 per cent a year is a significant component of equity returns).

Basic rate tax is deducted at source and the result is that such taxpayers will receive 100 per cent of the rise in the Footsie over the period (starting March 1). However, a bonus for those who invest

before January 20, pushes the rate up to 103.7 per cent; those who invest between January 21 and February 15 will get 101.5 per cent.

Higher rate taxpayers would face a further bill, bringing the return down to around 90 per cent of the Footsie's rise (or 83 per cent with the full bonus).

Unless they use up their £5,000 CGT allowance, higher rate payers would almost certainly do better to invest in an indexed fund, where the return would mostly come in the form of capital gain.

However, unlike some insurance-based guaranteed products, N&P says that non-taxpayers can reclaim the tax on this account.

This would convert the return into 133.33 per cent of the Footsie's rise (or 138.33 per cent with the full bonus).

If you want to withdraw your money, you cannot do so during the first year. After that, there is a "penalty" of 5 per cent and no interest will be credited. The minimum investment is £1,000 and the maximum £250,000.

Hargreaves Lansdown, the financial adviser group, is offering a product which combines a fixed interest bond with the

capital shares of split capital investment trusts. The fixed interest portion (in a guaranteed growth bond from Consolidated Life) will grow so that the total capital will rise by at least 20 per cent over five years (net of basic rate tax).

The capital shares then give the investor a "geared" interest in the stock market. If the trust's assets rise by 7 per cent per annum, then the total return would rise to 40 per cent. Returns rise substantially as the investment assumptions get more optimistic.

There is an element of flexibility in the product since the investors can take profits on the capital shares if they rise substantially over the five year period. The minimum investment is £10,000.

Meanwhile, Sun Alliance is launching a third issue of its Capital Protector Bond. This offers a four year guarantee, but only 90 per cent of the fund is linked to stock market growth. The other 10 per cent is invested in a 4.5 per cent initial and 1.35 per cent annual; there are surrender penalties during the first four years. The minimum investment is £5,000.

Philip Coggan

These funds have their uses but...

John Authers considers the complexities of convertibles

1980s go-go stocks which have since gone off the rails.

Charles Park, fund manager with Framlington, says most of the big convertible issues in the late 1980s involved optimistic predators swallowing prey at the top of the market.

Rather than issue convertibles, debt, they paid for their purchases in convertibles. This gave the predators immediate cash savings since yields on convertibles are lower than on normal loans.

With hindsight, not all the acquisitions look well-founded. Park mentions convertibles issued by British Aerospace to fund its purchase of Arlington Securities, British & Commonwealth to buy Atlantic Computers, Blue Circle in buying Birmid Qualeast, and Ratners in buying H.Samuel. Other companies using convertibles to fund acquisitions included Ryde and Amec.

The share price of many of these acquirers did not perform to expectations. This automatically dampened convertible performance. In some cases, such as B & C, the companies crashed altogether.

By 1990, the convertibles market was afflicted by both over-supply, and a disproportionate number of weak stocks. When the equity market recovered, therefore, convertibles failed to follow.

The other important factor pushing the convertible market is the "premium" which must be paid to convert into a normal share. Convertibles yield more than shares, so they will normally cost more. If their price rises, it is harder to gain an easy extra income by switching from ordinary and preference shares into convertibles.

This technical factor lies behind the other problem afflicting the market. According to Park: "People running high income funds found a year ago that they were in

form to expectations. This automatically dampened convertible performance. In some cases, such as B & C, the companies crashed altogether.

By 1990, the convertibles market was afflicted by both over-supply, and a disproportionate number of weak stocks. When the equity market recovered, therefore, convertibles failed to follow.

A final argument advanced for convertibles is their yield. Half the convertibles unit trusts are currently yielding in excess of 7.5 per cent, which is healthy. That yield could be an adequate cushion for investors nervous about prospects for a genuine recovery.

So is it worth investing in convertibles? The last five years show that they are not the no-lose bets which they might appear. But the sharpest effects of the late 1980s appear to have passed. The sector averaged an adequate total return after charges of 11.55 per cent in 1992.

They should not be overlooked, particularly by those busy transferring money out of uncompetitive building society accounts. Some of this money could go into convertibles - but not all. It is hard to justify more than a small weighting for these instruments.

Best performing convertibles funds over three years	% growth
Allied Dun Conv & Gilt	21.73
Edinburgh Convertible	10.34
Saring Convertibles	8.36
CU Fixed & Convertible	2.93
Average	0.52

Best performing convertibles funds over 10 years	% growth
Framlington Convertible	177.16
Profit Conv & Gilt	126.59
Allied Dun Conv & Gilt	109.81
CU Fixed & Convertible	49.44
Average	116.76

Split trust launch

A NEW split capital trust is being launched to tap the revived enthusiasm of private investors for the investment trust sector.

Schroder Split Fund will offer a mix of zero coupon shares, income shares and capital shares. The zeros, as their name suggests, will pay no income but aim to give the investor steady capital growth.

The zeros' launch price is 100p and the planned repayment value will be 203p in 2002, a gross redemption yield of 8.25 per cent a year. Profits will be taxed as capital gains, and will be effectively tax-free, since few investors use up their annual £5,000 CGT allowance.

The zeros are 125 per cent covered at launch - in other words, the trust has more than enough assets at launch to repay the 2002 redemption value of the zeros in full.

The income shares will have a gross initial yield of 9 per cent, at the issue price of 100p. There is a significant risk of loss of capital: the trust's assets will have to grow at 4.2 per cent per annum for the shares to be repaid in full.

However, the income shares

can participate in the trust's growth. If the assets and income of Schroder Split rise by 7.5 per cent per annum, then the gross redemption yield will be 13 per cent.

Schroder is also offering a new High Income personal equity plan, based on the income shares. There will be no initial charge on the PEP between February 10 and March 4; the annual charge will be 1 per cent plus VAT. Income will be paid quarterly.

The capital shares will be entitled to the remaining assets after the income and zero shareholders have been repaid. Shareholders will only be repaid their original investment of 25p if the assets grow by 4.7 per cent per annum between launch and 2002.

The "gearing" effect means capital shareholders will do well out of a bull market. If the trust's assets and income grow at 7.5 per cent per annum, the capital shareholders will receive a gross redemption yield of 21.5 per cent pa.

One problem with some split capital trusts is that, to meet the income requirements, the manager has to invest in high-yielding stocks or convertibles, at the expense of capital growth. The portfolio yield on Schroder Split will be 6.5 per cent which the manager argues is lower than on many other split trusts.

The launch expenses of the trust will be capped at 4 per cent and total annual expenses will be 0.7 per cent.

Philip Coggan

Money-back tax offer

MILLIONS on low incomes should pay heed to an Inland Revenue advertising campaign launched this week: it could give them up to £860 a year in refunds on taxes.

The Revenue is spending £2m on a campaign, aimed particularly at pensioners and married women who do not work, who may be entitled to back taxes.

Newspaper and television advertisements will form the backbone of efforts to catch the eye of the two-thirds of people who are eligible to claim but have not done so. About 8m will also receive a leaflet with their annual notice of coding.

Those affected include 2.5m married women who can claim back the tax credit on share dividends, and up to 15m people on low incomes who can register to receive bank and building society interest gross.

During the 1991-92 tax year, the Revenue estimated that only £150m of the £550m which could have been reclaimed was paid out, because only about 5m people contacted them for refunds.

The disappointing response came in spite of intensive advertising in the last two years. It contributed to the

Revenue's decision in late 1992 to close a number of repayment offices and to reduce staff working in these divisions by up to 1,000.

The Revenue estimates that those who have not claimed under either scheme include 4m pensioners, 3m married women and 3m other adults and children.

Substantial ignorance of who is eligible remains. A large number who claimed were not on sufficiently low incomes to qualify, while many who were did not bother.

A free telephone number (0800-680800) open from 10am-5pm on Monday to Friday has already begun operating and will run at least until the end of March.

Independent taxation of married men and women was introduced in April 1980 and allowed women to claim back share dividend tax.

Gross payments of bank and building society interest were introduced in April 1991.

Two leaflets are available free from the Revenue: Leaflet IR 110. A guide for people with savings. Leaflet IR 127. Are you paying too much tax on your savings?

Andrew Jack

UNTIL 30TH JANUARY 1993
**YOU CAN INVEST TAX-FREE
IN FAMOUS BRITISH COMPANIES
WITH
NO INITIAL PLAN CHARGE**

**£500 MILLION
UNDER MANAGEMENT IN PEPS**

Save & Prosper's Managed Portfolio Personal Equity Plan enables you to invest up to £6,000 tax-free in a ready made portfolio of blue-chip companies. The tax concessions on a PEP mean that the value of dividends are automatically increased by at least one third and you don't pay capital gains tax on your profits - however big they are.

And tax-savings isn't the only way you can benefit. If you take advantage of our special New

Year Offer and invest £4,000 or more before 30th January 1993 there

is no initial plan charge. So if you invest the maximum of £6,000 you save over £107!

Save & Prosper are one of the leaders in the Personal Equity Plan market. A combination of low management charges and good performance has led to our Managed Portfolio being one of Britain's best-selling PEPs. Take advantage of this special offer to benefit from the growth of famous British companies. The offer period ends 30th January 1993. For details talk to your financial adviser, post the coupon, or ring our free Moneyline now.

CALL FREE 0800 282 101

9.00 a.m. - 5.30 p.m. 7 DAYS A WEEK

Mr/Ms/Mlle

Address

Home Tel (STD) No

Work Tel (STD) No

So that we may call and offer further information.

THE VALUE OF INVESTMENTS WITHIN A PEP AND ANY INCOME FROM THEM, CAN GO DOWN AS WELL AS UP AND YOU MAY NOT GET BACK THE FULL AMOUNT YOU INVESTED. NO CONCESSIONS ARE NOT GUARANTEED AND MAY BE CHANGED AT ANY TIME. THIS OFFER WILL BE OPENED ON YOUR PERSONAL CIRCUMSTANCES. PEP PERFORMANCE IS NOT A GUIDE TO FUTURE RETURNS. SAVE & PROSPER GROUP LTD IS A MEMBER OF BANC AND LAUTRO

SAVE & PROSPER

THE INVESTMENT HOUSE

مكتبة القرآن

MINDING YOUR OWN BUSINESS

Money for rope for man who makes ends meet

Keith Wheatley on Des Pawson who has turned his passion for knots into a business

HOW MANY suppliers can create business simply through the aroma of their catalogue? Des Pawson can. One valued regular customer sits in his office high above Wall Street with the Footrope Knots brochure handy enough to sniff.

Instead of staples, the 16-page publication is stitched with tarred marlin. This heavy twine used in traditional ropework is treated with Stockholm tar and has a small evocative enough to bring the square-riggers back to life. Pawson believes he is the only business in the world tying knots, teaching knots, writing about knots and selling other enthusiasts the means to pursue their hobby.

From his office/warehouse/home in Ipswich emerges a steady stream of turkeys, monkey fists, rope mats and all sorts of intricate ropework and netting. Equipment ranging from marlin spikes to *The History of Knot Theory* (translated from the Danish) leaves by every post.

Pawson, a bearded cheery man with a matelot's patina, has also been used as an expert consultant by Surrey police pursuing a murder inquiry. Knots used to tie the victim yielded valuable clues to detectives.

"I've loved knots and been fascinated by them since I was a little boy," explained Pawson, 48. "But the difference between me and amateur tiers is that I've always had a financial interest."

"When I was 11 I used to buy cord and turn them into fancy woggles for other Scouts and sell them at a profit. I've always believed my skill had a value."

Rather than running away to sea, after leaving school he spent five years working in Harrods furniture department. Pawson says it taught him all his basic skills of stock management, salesmanship and cash flow. He later put this background to use in running a film a year business for an East Anglian office supplies company.

All the while he was developing his hobby towards being a fully-fledged business which could support him and his wife Liz - two grown-up sons are at college. The first significant order was in 1986 for three dozen braided bell ropes for Captain O M Watts, the *Mayfair* chandler.

Like many crafts-people faced with volume orders, he began using outworkers for routine tasks. "I realised that with the

ultimate niche market, I was going to have to do more than tie knots myself all day - even if I had wanted to," Pawson said. Ten years ago he was one of the founding members of the International Guild of Knot Tyers. From an initial 20 or so members it has grown to over 500, with subscribers in every large country. Faced with an audience of this size Pawson resolved to become the leading supplier of scarce materials for the enthusiast.

The large shed at the foot of his garden is a paradise for anyone who has ever loved the feel and smell of traditional rope. Coils of manilla, hemp and sisal fill the floor. Racks of shackles, fids and spikes line the benches. Pawson often has to track down materials from such arcane sources as French Navy surplus auctions.

"The problem is that I sometimes have to buy enough to last five years. The opportunity is that I'm the only person around who has got some of this stuff," he said, while illustrating the arcane merits of differently balanced marlin spikes.

Fellow knotters are encouraged to visit. Often they are "dropping by" en route to some serious business meeting but the lure of Pawson's wondrous shed proves too much for them.

His has two business tenets. He never borrows money and, from the earliest hobby days, he has made tax returns. Pawson says the first rule kept his feet on the ground and prevented things growing beyond their economic base, the second reminded him that it really was a business, however small. In the early days there was no tax to pay.

Nowadays, he says, Footrope Knots is turning over slightly more than £25,000 a year, with very low overheads. For the first time, Pawson will be running a knotting summer school at Suffolk College. He also writes *Rope Yarns*, a regular feature in *The Boatman* magazine.

Strong interest in the restoration of classic yachts has helped business. He is often called upon to recreate fenders and the like from sources such as Edwardian photographs. He feels the call of the sea himself and enjoys sailing a modest traditional Dutch scow.

Pawson has a stand at the London Boat Show which closes tomorrow and has been demonstrating his skills. "It's more of a promotional exercise than a retail one for



Knotty problems: Des Pawson demonstrates his craft at his stand at the Boat Show

me," he said. "But a lot of the people I meet and give cards to will become customers during the year."

"However, the knotting business is far bigger than just boats. It appeals to all kinds of people who never go near the sea.

It's to do with tradition and texture."

The Boat Show at Earl's Court, London, is open today and tomorrow, 10 am-5 pm. The Footrope Knots catalogue is available for 50p from 501 Wharfedale Rd, Ipswich, Suffolk, IP2 8LL. Tel: 0473 690090.

As They Say In Europe/James Morgan The sex therapist and the shopping trolley

WITH QUESTIONS of scandal and privacy echoing around the papers it is worth noting how relative these things are: one nation's political scandal is another nation's bore. In recent weeks Britain, France, and Germany have had to face frightful revelations about their politicians. Italy does not count since politicians there are expected to be frightful, and Italian newspapers could not cope with the various *Lamont* "scandals."

The fact that the British Chancellor of the Exchequer had inadvertently rented his house to a "sex therapist" was amusing enough, but the row over his acceptance of a Treasury offer of a mere £4,000, which did not go into his pocket anyway, was incomprehensible. The subsequent farcical developments, involving the publication of his credit card account and untrue stories relating to purchases of cheap champagne and cigarettes ensured that all foreign interest evaporated.

And so to the tedium of the influence-peddling scandals in Germany. The latest concerns the housing minister, Irmgard Schwaner, and a property company, Germania. In a contribution to its house magazine the minister seemed to be promoting the firm's interests. Earlier, the economics minister, Jürgen Möllemann, had to resign because he had tried to help out his wife's cousin over the matter of a patent on a supermarket trolley. Because of their sublime banality, these typically German affairs attracted little comment outside the country.

The only real horror story in this litany was the French blood contamination affair. This involved hundreds of haemophiliacs who were infected with the AIDS virus through state-run blood transfusions. French scandals have considerable bearing on the current debate in Britain on the role of the press. It is proposed, among other things, that there should be legal limits on invasions of privacy.

The editor of the *Sunday Times*, Andrew Neil, said this would make Britain like France, where, he elegantly argued, "privacy laws have intimidated newspapers from doing investigative journalism and made them poodles of the political establishment."

Maybe in the blood scandal the press could have acted sooner - but even the story was rolling the media made a substantial contribution. The papers also did some fine work on the blowing up of the Rainbow Warrior by French security agents in New Zealand; the Pachyni share dealing racket would not have

emerged but for the work of the French press and *Le Monde* took on the Socialist Party by helping to expose corruption there. French poodles even bite their friends.

Their record compares favourably with the British bulldogs. It was not heroic newspaper reporters who first shed light on the Guinness, BCCI, Maxwell and Matrix-Churchill affairs. In France a restrictive law on privacy, which allows "public interest" as a defence, combines with a system that makes libel cheap. This combination can help the press, if it is interested in important matters rather than trivia - partly because it discourages libel actions which perform involve the plaintiff sacrificing the otherwise guaranteed right of privacy.

Under the French system, means newspapers are fined if they reveal details of the colour of the football team in which the minister of culture is alleged to make love to his mistress. And they cannot publish pictures of even English duchesses deporting themselves with their financial advisers in a manner that falls short of the chaste standards that characterise the English aristocracy. What they can do is to say that Monsieur Farfelu is a crook and have a fair chance of getting away with it. In Britain the situation is exactly the reverse thanks to the extraordinary strictness of the libel laws which shield the guilty as well as the innocent and various bits of secrecy legislation.

That has helped to ensure that the British debate on press freedom has concentrated on the Royal Family for that is the story that is at risk. In the great British theme park, the dream of happy royal marriages was fabricated by the media and the royal press office. So when, as is now the case, they turn out to be in the traditional mould there is a colossal row which can, some say, lead to the destruction of the House of Windsor.

Had the press not connived at the new-fangled "family values" vision of royalty there would not be the trouble we are facing today. The real English tradition is that the monarch and his or her spouse regard each other with indifference or loathing. Queen Victoria notoriously broke with that tradition in her relations with Prince Albert. She was not popular until much later, after Prince Albert died, which left the Queen 40 clear years to achieve a reputation unnumbered by fantasies of domestic bliss. However, that does not now seem a likely prospect for the Prince of Wales.

Tell the taxman

ON September 30 last year, I retired at the age of 63½. At that time my tax affairs were completely in accordance with the PAYE tax tables.

The trustees of my employer's pension scheme purchased an annuity for me equal to the benefit to which I am entitled by that scheme and my P45 form forwarded by my ex-employer to the insurance company involved.

Instead of using this information on the instructions of the Inland Revenue, they claim) has been taxing me on an interim code (OT) which apparently authorises the removal on 25 per cent of the gross pension due. Irrespective of my circumstances. This pension is my sole source of taxed income until I reach 65. As a result, although we are only nine months into the tax year, I have not only paid my complete tax liability for 1992/93, I have also had £274 deducted above my obligations (a credit towards my 1993/94 tax).

Have the Revenue the power to so over-tax me, and have I any claim for interest on the over-paid sum and the costs of postage, telephone, photocopying etc that I have incurred in getting the situation corrected?

First the bad news: On the bare fact outlined, you do not appear to be eligible for any recompense from either the Revenue or the insurance company. Your complaint appears to lie against your employer: if he had explained what you should tell the insurance company's tax office in order to get the appropriate code applied to the appropriate code number of tax. For your employers simply to send you P45 to the insurance company was not very helpful - but there is, of course, no legal obligation upon employers to offer any guidance on tax matters to their retiring employees (and the cost of providing any such guidance could be taxable as a benefit). It is up to you to tell the tax office your date of birth. The fact that you have not given us enough information for us to calculate what your current code number should be, suggests that you may not have given enough information to the tax office either. So, probably, the tax office is not to be blamed, but neither are you, because you did not know what you should have told them. Write to the insurance company's tax office, giving formal notice of objec-

O&A BRIEFCASE

No legal responsibility can be accepted by the Financial Times for the accuracy of these columns. All inquiries will be answered by post as soon as possible.

tion to code OT under regulation 10(1) of the Income Tax (Employments) Regulations 1973, as amended; if possible, say what you think the code number ought to be. Tell them your date of birth, the total pay and tax shown on your P45 (if known), and the amount of untaxed income which you expect to receive in 1992-93. (You told us that the pension is your "sole source of taxed income" at present, but you said nothing about your untaxed income.) If you do not receive a satisfactory response within a couple of weeks, write to the District Inspector saying that, in default of agreement to your objection, you now give formal notice of appeal against the determination of code OT and that you require the appeal to be heard by the General Commissioners in February with or without fall, in order that the correct (retrospective) coding be applied to the final instalment of your pension for the current tax year. We take it that you would have no difficulty in attending a meeting of the General Commissioners at short notice, in order to present your argument for an appropriate code number.

Losses on warrants

I HAVE held 5,000 Euro-tunnel warrants since 1988. I did not exercise the warrants because the cost of doing so was greater than the value of the Eurotunnel shares they would have yielded. Last November the warrants lapsed. Can I set the loss of the warrants adjusted cost of doing so against investment gains for Capital Gains Tax purposes? Yes, by virtue of section 144(4) & (5) of the Taxation of Chargeable Gains Act 1992. "The abandonment of... a traded option... shall constitute the disposal of an asset (namely of the option)..."

"(8) In subsection 4 above... "traded option" means an option which, at the time of the abandonment... is quoted on a recognised stock exchange..."

If your tax inspector should try to restrict your allowable loss by invoking the notorious wasting-asset rules (which apply to some types of option), refer him or her to section 146 of the Act. This says the wasting-asset rules "shall not apply... to a traded option..." as defined in section 144(8).

Nuances of CGT on trusts

YOU recently explained the CGT treatment of unit and investment trust savings schemes. Is not the situation even more complicated? According to the leaflet sent with my unit trust annual report, for CGT purposes the total amount of income reinvested, as shown on the tax credit vouchers, should be added to the original cost. For indexation, when is the dividend received?

Presumably it is added to the value of the units as it is received from the constituent companies, and the voucher is only a summary of the amounts received in the year. Yes, the calculations for accumulation units are generally more complicated than those for monthly savings schemes, or automatic reinvestment schemes.

For accumulation units purchased after the end of March 1986, the net retained income shown on the first voucher ranks for indexation from the day on which the units were purchased; subsequent net retained income for indexation from either the latest date provided by the trust deed (for any distribution period in question), or, if no date is so provided, the last day of the distribution period. This complex rule is derived from sections 99 and 113 of the Taxation of Chargeable Gains Act 1992, in conjunction with section 468 of the Income and Corporation Taxes Act 1988.

The rules are slightly different for units purchased between the end of 1981-82 and the beginning of April 1985; they are significantly different for units purchased before April 6 1982. The position would also be slightly different if more than one retention date fell within the first year after the purchase, or if none did.

MINDING YOUR OWN BUSINESS

BUSINESS OPPORTUNITIES

ENTERPRIZE ZONE INVESTMENT

Available for purchase are 18 workshop units being built in well established enterprise zone in Dundee. Prices range from £47,250 to £126,000. The investment can be offset against income for 1992/93 tax and the return on the net investment will be 11.5% p.a. Rental income will be guaranteed.

For details contact: Henderson & Leggie, Chartered Accountants, 11 Princes Street, Dundee DD1 2BQ. Tel: No. 0332 200055

Authorised by the Institute of Chartered Accountants of Scotland to carry on investment business.

MANAGEMENT CONSULTANCY

Available now for management or consultancy role, doctor of medicine and M.B.A. with many years profitable history in the nursing home sector.

I have detailed knowledge of this business having run a family owned group for many years as chief executive.

Please write to: Box A8261, Financial Times, 1 Southwark Bridge, London SE1 9UL.

READERS ARE RECOMMENDED TO SEEK APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

Merger Opportunity

Mineral/chemical processor wanted. We are a profitable U.K. chemical and mineral processing company interested in emerging with a similar type of company to obtain improved efficiencies and broader customer base. Location not considered to be of primary importance. Confidentiality assured. Apply:

Box No. A4627, Financial Times, One Southwark Bridge, London SE1 9UL.

Recession Equals Opportunity!

Successful business under (20 yrs) seeks additional capital (£20,000-£100,000) for business expansion. Fully research, excellent returns. Tel. Carl Stray 0784 473391 (7 days)

FULLY SECURED PROPERTY OPPORTUNITY.

10% remaining yield with capital growth prospects. Guaranteed net data units £10,000+. Write for full details: Box A8264, Financial Times, 1 Southwark Bridge, London SE1 9UL.

BUSINESS SERVICES

YOUR OFFICE IN LONDON From 70p a day. Account/Voice/Data/Fax/Modem etc. Office Box. Tel: 017 438 0786. Fax: 017 580 3728.

AIRCRAFT FOR SALE

GULFSTREAM IV EXECUTIVE JET

* Immaculate
* 1200 Total Time
* Comprehensive Avionic Fit
* 13 Passenger Interior
* Immediate Delivery

For Full Details please contact:

USA: JB&A
Tel: 010-1-301-330-0600
Fax: 010-1-301-330-6165

UK/Europe: DCC Ltd
Tel: 44-276-681409
Fax: 44-276-62032

OBEX INTERNATIONAL LIMITED
THE INSURANCE ACT 1906
NOTICE IS HEREBY GIVEN pursuant to Section 94 of the Insurance Act 1906 that a Meeting of the Creditors of the above-named Company will be held at 71 Hatton Garden, London EC1N 8JA, on 18 January 1993 at 12.00 noon for the purpose of ascertaining the assets and liabilities of the said Act. Creditors wishing to vote at the Meeting must lodge their proxy, together with a full statement of assets and liabilities, at the above address not later than 12 noon on 13 January 1993. For the purpose of voting, a second creditor is required (unless he attends in person) to lodge at Hatton Garden House, 71 Hatton Garden, London EC1N 8JA, before the Meeting, a statement giving particulars of his claim, the date when it was given and the value at which it is assessed. Notice is further given that a list of the names and addresses of the Company's creditors may be inspected, free of charge, at New Gresham House, 79 Hatton Garden, London EC1N 8JA, between 10.00 am and 4.00 pm, on the two business days preceding the date of the meeting stated above.

35 Babel, Liphigton

Appear in the Financial Times on Tuesdays, Fridays and Saturdays.

For further information or to advertise in this section please contact:

Karl Layton on 071 873 4780

BUSINESS SOFTWARE

For advertising in this section please telephone 071-407 5752 or write to Alison Price at the Financial Times, One Southwark Bridge, London SE1 9UL or Fax 071 873 3063

TECHNICAL ANALYSIS SYNERGY SEMINAR SERIES

Presented by an STA associate, TECHNICAL ANALYSIS OF THE STOCK MARKET is a natural follow-on from Trading Tactics and will be of great benefit to those investors not seeking greater understanding of charting techniques. The course concludes with a clear trading strategy drawn from the comprehensive techniques covered. Cash 0585-454582 for details

ACT! THE SALES MANAGEMENT SYSTEM

• Tracks all your contacts
• Prints all your letters
• Has full WP, Modern, Fax support
• DOS, WINDOWS, NETWORKS, MAC, HP/PSLX
• Training, Consultancy, Support, Product
• Only for those wishing to get and stay ahead
ASK FOR THE DEMO DISC
Bryson and Company
Tel: 0282 488444
Fax: 0282 488333

SHARETEXT FOR WINDOWS 3

Share Cowlar & Oracle whilst using your word processor, spreadsheet etc. Features comprehensive editing, report analysis, Movers, Moving averages, Graphs, Portfolios: price alerts, Automatic news gathering etc.
Price £150 + VAT.
Call for free demo disc.
Tel: 081 485 0198
Fax: 081 922 3000

COMPUTER AIDED SALES & MARKETING

Breakthrough, comprehensive sales & marketing productivity system. Handles, lists, prospects, customers, orders, products & services. Produces form letters, mailshots, value action lists. Report generator included. Manage sources, campaigns, costing, response evaluation, notes, telephone scripts & much more! DEMO DISC available. SOBEL, FREEPOST, London N10 1BR. Tel: 081 485 0198. Fax: 081 365 5482

NEURAL NETWORK MODELLING AND FORECASTING

A thought-provoking set of business models ease difficult business decisions, e.g. pricing, quantifying the price/demand curve, advertising and promotions, showing which tactics will be best practice analysis, revealing each branch's true cost structure.
How to be successful
RBS Ltd, 14 St Christopher's Place
London W1M 8HS
071-487 4794 Fax 071-495 5962

1-2-3 TAKEOVER

Analyze the financial health of any company. Determine its commercial and financial strengths. Develop an acquisition. Price 129 (includes VAT). IBM/compatible. Clear manual. Disk size? 30 days money-back guarantee.
24 Hour answerphone 0542 252 191
PLUMSOLL PUBLISHING SUITE LIMITED,
THE VANGUARD SUITE,
BROADCASTING HOUSE,
MIDDLEBOROUGH, TS1 5JA.
Tel: (0462) 230977
Fax: (0462) 245666

ICE 1992 INTEGRATED ACCOUNTS PACKAGE

With multi-currency nominal, sales and purchase ledgers and cash books; multi-company capability; multi-lingual document production; cheque reconciliation; simple bank reconciliation; easy to use, quality value and support; powerful report generator; database, spreadsheet and word-processor interfaces. Join our satisfied client base. PDS Limited
Phone: 071 688 3098 Fax: 071 230 1385

DO YOU REALLY KNOW THE COST OF YOUR IT INVESTMENT?

If you don't, talk to us about systems for:
• Asset and inventory management of all hardware and software
• Accurately auditing all office equipment
• Customer and Company wide I/T
• Software, Consultancy, Training and Support, systems to protect your IT investment.
Response Company
Tel: 0252 489444 Fax: 0252 489333

SETTING UP BUSINESS IN MONACO?

you do need a fully equipped office, with staff who know the Monaco laws and regulations

BAA

Efficiency Speed Discretion
Waters House, 8th Fl, 1st Ave
12, Boulevard Pasteur, Cannes
F 07 57 46 5003 (Monaco Code)
Edinburgh 01 502 87 29
Fax 01 502 77 24
Tel: 07831 384 88

FOOD AND DRINK

Lunch for a fiver — ready for take-off

Nicholas Lander with the latest updates on the Weekend FT's eating out scheme

AN INKLING that "Lunch for a Fiver" was going to be a success occurred when my phone rang at 9.30am on Monday. It was the man who handles public relations for one of the best-known Park Lane hotels. "Was it too late," he wondered, "for the hotel to be included in the scheme?"

This year we had to disappoint, but such has been the response and interest that any future schemes which we plan will try to satisfy more restaurateurs and hoteliers and even more customers. This week's list of restaurants includes several small amendments to that which appeared last Saturday. Firstly, the FT's computer list omitted one restaurant entirely, 193 of Kensington Park Road, London W11 2JF (071-229-0482), which is not open for lunch on Mondays. The omission was particularly ironic since a letter from 193's managing director, Tony Mackintosh, had been one of the first, enthusiastic responses.

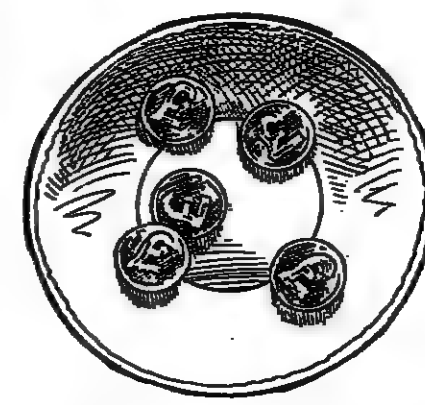
It read: "Of course we are in for your scheme. Great idea. Hope it is a huge success." Then the owners of Daphne's in Draycott Avenue, London SW3, phoned to say that builders who were working there would still be on the premises on January 18 and that, therefore, it would have to withdraw. So if you live in that area try instead Walton's or Turner's, both just around the corner in Walton Street.

To keep the same number of participating restaurants, I am pleased to add Le Café des Amis du Vin, 11-14 Emswiler Place, Covent Garden, London WC2E (tel 071-379-3444). One change of nationality over the New Year: the Machino Japanese Restaurant has become the Young Bin Kwan Korean restaurant. One Chelsea restaurateur, Tom Benham of Monkeys, SW3, reported that although bookings were excellent, some of his callers were asking whether bread rolls were included in the £5 and what was the price of his mineral water.

Fortunately, this seems to be an isolated case of mean-mindedness. Overall, restaurateurs have responded with warm enthusiasm to the restaurant trade's answer to the January sales. Brian Clivar, general manager of Simpson's in-the-Strand, reported that within three days he had received 365 bookings and that some of those booking "Lunch for a Fiver" had at the same time booked tables for when the scheme was not running simply because they were on the phone.

One restaurant in the City started its £5 lunch four days early to meet demand while Adlard's, in Norwich, Norfolk, was booked out for the entire two weeks by Thursday last week. Carlton Television, London's new regional station, is planning to feature the scheme and interview several participating restaurants during the coming week.

And so far there has been only one disappointed customer. A friend, an excellent cook and a woman with a slim



waist but a wonderful appetite, faxed me to say that with business lunches at £5, she felt she could justify the cost of the flight from Boston, in the US, to London. Sadly, she could not persuade the company president to let her come.

California's double whammy

Jancis Robinson on viruses which poses a new threat to US west coast vines

BY this time of year, nurseryman Rich Kunde of Sonoma Grapevines would usually have grafted more than half a million vines for sale to California's grape growers. This year, he has not grafted a single one.

This is despite the fact that demand for young vine cuttings in California has never been greater. Because of the predations of a new strain of phylloxera, the plant louse which devastated the vineyards of Europe and beyond a century ago, Californians are engaged in a big vineyard replanting programme. The only known deterrent to the insect is to graft vines on to phylloxera-resistant rootstocks. The Axi-1 rootstocks, on which the California wine industry is dependent, have been productive but not resistant enough.

Some forecasts say the majority of vineyards in Napa and Sonoma, California's most famous wine regions, will have to be completely replanted over the next decade. But Kunde knows something more serious than that, as he puts it, it could be "a tidal wave that will make the phylloxera thing look like a little ripple".

For decades, Davis, the University of California wine research centre, has prided itself as the world's prime source of virus-free vine cuttings from its solid-sounding Foundation Plant Materials Service. Virus diseases have throughout history wreaked almost as much damage as phylloxera on the world's vineyards. Fan-leaf is bad but the worst is leafroll virus, probably caused by a group of viruses, which can halve yields but also slows ripening so that the resultant wines are thin and tart.

Leafroll's chief symptom is visible only on some varieties and only during the autumn, when leaves of certain red wine vines may turn over on themselves and take on deceptively beautiful autumnal colours. It is particularly difficult to detect because on some varieties, and all rootstocks (essential for California's phylloxera-resistant replanting programme), there are no visible symptoms at all.

For years, it has been taught, and believed, that leafroll can be spread only by using cuttings from infected plants. But last summer, the FPMs at Davis began testing the all-important "mother vines" for leafroll, using the sophisticated ELISA technique developed in the early 1980s. This was to ensure that the millions of cuttings released to vine growers all over the world each year really are virus-free.

The plant pathologist found to his horror that about 20 per cent of some batches tested positive, even though they had been selected from apparently virus-free plants.

The situation progressed from sleepless nights to shared knowledge to task forces to decisions and, on December 16, the FPMs issued a letter explaining why they had stopped issuing plant material, admitting that the virus seems to be spreading through their supposedly virus-free Foundation Vineyard and they have not a clue how.

This rather elliptical communication, however, may still be languishing at the bottom of various holiday in-trays. The real showdown will take place this Tuesday at a meeting with California nurserymen and grape growers.

They are confused enough already by what they call the latent virus phenomenon, whereby cuttings taken from vines that performed superbly when grafted on to Axi-1 rootstocks, show horrible virus symptoms now that they are being grafted on to phylloxera-resistant rootstocks. Not



Ancient California vines: prey to a virus

to mention the nasty Pierce's disease for which there is no known cure and which is a particular problem in southern California and in some Napa vineyards.

Not that leafroll spread has come out of the blue. Some observers had noticed leafroll in the Davis vineyards some time ago, but it was not taken seriously. Leafroll

had also appeared in New Zealand's National Foundation Vineyard, made up of cuttings imported from Davis, some years back. But again, it was ignored because everyone believed leafroll could only be spread by infected vines and these were vines guaranteed by Davis to be virus-free. In Taiwan, another FPMs client had noticed strange patterns of virus spread too, as had some growers in Europe and South Africa, it now emerges.

Although no one knows how the virus is spreading, and a definitive answer within less than a few years seems unlikely, a vector, an insect perhaps, is implicated. Mealy bug is currently the prime suspect. Leafroll is not only difficult to spot, it is impossible to cure. Californians who have just replanted a vineyard after the predations of phylloxera now cannot be sure that they have not, in fact, planted virused vines and/or virused rootstocks which will have to be pulled up again when, after a further three years or so, they can monitor the vines' performance.

International viticultural consultant Dr Richard Smart has already advised clients in Australia as well as California to pull out any vines showing signs of leafroll, especially if mealy bug is present — an unwelcome advice when vines are expected to produce for up to 30 years but take three years to establish in the vineyard.

What a blow to an industry that so recently looked so rosy. For the moment, growers may be paralysed and nurserymen such as Kunde can do little other than hope that it was ELISA at fault all along. Instead of grafting new cuttings for sale, he is currently instituting painstaking tracking systems whereby every cutting he has sold can be traced right back to its source.

Warren Winarski of Stag's Leap, one of Napa's most viticulturally aware wine producers, said: "There is now a great deal of uncertainty about how rapidly we can go forward with this replanting programme. We may move out of the phylloxera trying pan into the fire of these viruses, Pierce's disease and so on."

about 7 fl oz warm water. When softened and swollen, drain them and reserve. Strain their flavoured liquid carefully and save it for making the sauce. Trim the stalks from the fresh mushrooms, chop finely and save for the sauce.

To make the sauce, first put the Madeira into a pan with the butter, shallots and thyme, and boil down to about 5 tablespoons. Add the mushroom stalks, celery leaves, some pepper and the stock. Cover and simmer for 20 minutes or so. Then strain, pressing the solids to extract every drop of their flavour.

Reheat and thicken the sauce lightly by stirring in gradually small nuggets of the beurre manie. Blend in the Truffade purée mixed with the cream and season with lemon, salt and pepper to taste.

For the rice, first cook the white and wild rice in a boiling salted water until just cooked. Give the wild rice 15-20 minutes head start as it takes longer than white rice to become tender. Drain, add knobs of butter, season well and stir in the minced truffle or truffle juice if using it. Spread the rice out to cool it.

Then spoon it into a large ring mould tin that has been thickly buttered and lined with a sprinkling of sesame seeds. Pack the rice well down into the tin, pressing it firmly with the back of the spoon. The more evenly it follows the curve of the tin, the easier it will be to unmould.

Cover the rice with a foil lid and reheat in the oven when required, allowing 20 minutes at 400°F (200°C) gas mark 6. (Or if reheating the meats as well, use a lower oven temperature and bake for longer, placing both the rice mould and the dish of meats in a hot water bath to protect against drying out.)

When ready to cook the meats, first sauté the fresh mushrooms in a little very hot butter, remove and keep hot. Add more butter to the pan and sauté the meats: first the veal fillet, next the kidneys, then the chicken livers if using them. Finally, add the sweetbread, tongue and porcini and cook for a few minutes more, stirring and turning the ingredients frequently.

De-glaze the pan with a few spoonfuls of water. Stir the veal, kidneys and mushrooms. Then spoon enough sauce over the meat mixture to coat it lightly. To serve, unmould the rice onto a large flat dish, pile the meats into the centre of the barricade and arrange the mushrooms in a ring round the edge. Grate fresh truffle over them if your budget permits. Bring to the table with sauceboats of hot Madeira sauce.



to the boil and simmer for two minutes. Plunge in cold water for five minutes then peel away membrane and connective tissue so the sweetbreads can be separated into smaller sections.

Soak the tongue for one hour in cold water with a squeeze of lemon juice. Bring to the boil in fresh cold salt water or stock and simmer gently for 50 minutes or until tender. Plunge in cold water, remove skin, gristle and excess fat from the base of the tongue. When cold, slice thinly.

Put the veal fillet (or pork fillet or chicken breast meat) into quills. Core the kidneys and cut into bite size pieces. (Lamb kidneys are best soaked in milk for an hour before coring and slicing — save the milk for an appreciative cat.) If using chicken livers, clean them and cut into cubes. Put each sort of meat as soon as prepared into a separate bowl, cover and keep cool until ready to cook.

If using dried porcini, soak them in

Cookery/Philippa Davenport

For financiers who are serious about eating...

ONCE IN a while, it is a challenge to cook a seriously luxurious recipe, if only to keep one's hand in. Hence Ritz à la Financière, my simplified version of a classic.

The original is a very grand dish of sweetbreads blanched then larded with strips of bacon and studded with pieces of truffle, tongue and ham — a little slice of a lot of good things. The prepared sweetbreads are then braised, garnished with quenelles of veal fillet or chicken, cockscombs, kidneys, mushrooms and truffles, cloaked in a Madeira sauce with truffles and cream, and served in a puff pastry vol-au-vent. Phew.

However, the classic dish is not really fit for modern consumption, even by financiers. Veal sweetbreads are scarce and cost nearly £10 per lb, so I have changed the principal ingredient from sweetbreads to rice, an economical move from ris to riz.

I have also excluded cockscombs — even Harrods does not stock them. The humble lamb's tongue, the texture of which is said to be similar, can be used instead.

Fillet of pork can replace fillet of veal, and lamb kidneys can stand in for calves' kidneys. As for fungi, truffles, porcini or ordinary cultivated mushrooms can be used, or a mixture of all three. Not all these ingredients are necessary, but beware too many exclusions or you will end up with only a bowl of rice.

The rice could be all white, virginal pure, or wild rice with shavings of truffle, as black as sin, depending on how far into the red you are prepared to take your bank balance. And the sauce must be rich.

RIZ A LA FINANCIERE

OR HANKER'S RICE

(serves 3)

The ingredients and workload which follow look daunting but the good news is that all the cooking can be done ahead.

Rather to my surprise, I found that even the meats reheat well — providing they are reheated gently in some of the sauce in a tightly covered dish in a hot water bath in a moderate oven.

At least 2lb of meats are needed, ideally 10 oz of each of four different sorts, as listed below. If one type of meat is unavailable, use just three varieties, increasing the weight accordingly, or replace the missing item with chicken livers.

For the meats and fungi: 8-10 oz veal or lamb sweetbreads; 8-10 oz lamb's tongue; 8-10 oz veal fillet (or pork fillet or chicken breast); 8-10 oz veal or lamb kidneys; ½ oz dried porcini (optional); 8oz cap mushrooms, preferably so-called chestnut mushrooms; unsalted or clarified butter for frying; shavings of truffle or sprigs of watercress to garnish.

For the sauce: 12 fl oz Madeira; 2 shallots, finely chopped; a nut of butter; 2-3 sprigs of thyme; ½ pt good veal or chicken stock (or ½ pt veal or chicken stock plus ½ pt of the liquid saved from soaking dried porcini); the finely chopped stalks of the fresh mushrooms; 1-2 tablespoons chopped celery leaves; beurre manie made by mashing together 1½ tablespoons each softened butter and plain flour; ¼-1 teaspoon Lea Truffade (a blend of truffle and porcini purée available from delicatessens, Waitrose and selected branches of Sainsbury); a little lemon juice; 4-6 tablespoons double cream.

For the rice: 12 oz long grain white rice plus 4 oz wild rice (or whatever ratio of wild to white your bank balance suggests); minced black truffle or a splash of truffle juice (optional); 1-2 tablespoons lightly toasted sesame seeds; butter.

First prepare the meats. Soak the sweetbreads in cold salt water for a couple of hours. Cover with fresh salt water, bring

WHERE TO GET LUNCH FOR A FIVER

From Monday January 18 until Friday January 29

Adlard's, 79 Upper St Giles Street, Norwich	Tel: 0603 833522
Al San Vincenzo, 30 Connaught Street, London W2 2AF	Tel: 071 262 9820
Alastair Little Bar, 48 Frith Street, London W1V 5TE	Tel: 071 734 5183
Anchor, 34 Park Street, London SE1	Tel: 071 407 1577
Angel, 101 Bermondsey Wall East, Rotherhithe, London SE16	Tel: 071 237 3808
Argyll, 316 Kings Road, London SW3 5UH	Tel: 071 352 0025
Armadio, 20-22 Mathew Street, Liverpool	Tel: 051 238 4123
Au Jardin des Gourmets, 5 Greek Street, London W1	Tel: 071 734 2745
Bahn Thai, 21a Frith Street, London W1	Tel: 071 437 8504
Balzac, 4 Wood Lane, London W12	Tel: 081 743 6787
Beauchamps, 23/25 Leadenhall Market, London EC3	Tel: 071 621 1331
Belgo, 72 Chalk Farm Road, London NW1	Tel: 071 267 0718
Bistrot Brune, 63 Frith Street, London W1	Tel: 071 734 4545
Bistrot 190, 189 Queen's Gate, London SW7 5EU	Tel: 071 581 5886
Boyd's, 135 Kensington Church Street, London W8 7LP	Tel: 071 227 5452
Brackenbury, 129-131 Brackenbury Road, London W6 0BQ	Tel: 081 748 0107
Brasserie du Marché, 348 Portobello Road, London W10	Tel: 081 858 5028
Brasserie Forty Four, 44 The Cais, Leeds	Tel: 0532 343232
Café des Arts, 82 Hampstead High Street, London NW3	Tel: 071 435 3008
Café Flo, 149 Kew Road, Richmond, Surrey	Tel: 081 940 8298
Café Flo, 676 Fulham Road, London SW6	Tel: 071 371 9613
Café Flo, 334 Upper Street, Islington, London N1	Tel: 071 225 7978
Café Flo, 127-9 Kensington Church Street, London W8	Tel: 071 727 8142
Café Flo, 205 Haverstock Hill, London NW3 4OG	Tel: 071 435 6744
Café Flo, 51 St. Martins Lane, London WC2	Tel: 071 836 8289
Café Italien, 19 Charlotte Street, London W1	Tel: 071 805 1969
Café Rouge, The Pizzeria, Hays Galleria, Tooley Street, London SE1	Tel: 071 378 0087
Café Rouge, 7a Petersham Road, Richmond, Surrey	Tel: 081 332 2423
Café Rouge, 26 High Street, Wimbledon, London	Tel: 081 944 5131
Café Rouge, 380 Kings Road, London SW3	Tel: 071 352 2226
Café Rouge, 2 Lancer Square, Kensington Church Street, London W8	Tel: 071 938 4200
Café Rouge, Unit 209 Whiteleys Centre, Bayswater Rd, London W2	Tel: 071 221 1509
Café Rouge, 200/204 Putney Bridge Road, London SW15 2NA	Tel: 081 788 4257
Café Rouge, 48/48 James Street, London W1N 5HS	Tel: 071 487 4847
Café Rouge, 855 Fulham Road, London SW3	Tel: 071 371 7800
Café Rouge, 8-7 South Grove, Highgate Village, London N6	Tel: 081 342 9797
Café Rouge, 19 High Street, Hampstead, London NW3	Tel: 071 423 3404
Café Rouge, 31, Kensington Park Road, London W11	Tel: 071 221 4449
Canal Brasserie, 222 Kensal Road, London W10	Tel: 081 960 2732
Chicon, 25 Richmond Way, London W14 0AS	Tel: 081 602 4088
Cibo, 3 Russell Gardens, London W14 8EZ	Tel: 071 371 6271
Dan's, 119 Sydney Street, London SW3	Tel: 071 352 2718
Daphne, 63 Bayham Street, London NW1 0AG	Tel: 081 267 7322
de'Fugo, (Ground Floor) 66 Frith Street, London W1V 5TA	Tel: 071 734 9300
Dezema Inn, St. Katherine's Way, London E1	Tel: 071 488 8522
Del Buono, 283 Putney Bridge Road, London SW15	Tel: 081 780 9331
Drones, 1 Pont Street, London SW1	Tel: 071 235 9656
Floriana, 4 Topfield Parade, Middle Lane, London N8 8RP	Tel: 081 348 8348
Fredericks, 106 Camden Passage, Islington, London N1	Tel: 071 359 2888
Frederick Bucklebury, Queen Victoria Street, London EC4	Tel: 071 248 0085
Gilbert's, 2 Exhibition Road, London SW7	Tel: 071 589 8947
Graham's Seafood, 38 Poland Street, London W1	Tel: 071 437 0975
Grill St Quentin, 2 Yeomans Row, London SW3	Tel: 071 581 8377
Hilare, 88 Old Brompton Road, London SW7 3LR	Tel: 071 584 8993
182, 182 Kensington Park Road, London W11	Tel: 071 229 0482
I Sardi, 112 Cheyne Walk, London SW10	Tel: 071 382 7534
Isimoli 10 Lime Street, London EC3	Tel: 071 382 3816
King's Head, Ivinghoe, Leighton Buzzard, Bedfordshire	Tel: 0298 688264
L'Accento, 16 Garway Road, London W2 4NH	Tel: 071 243 2201
L'Altre, 210 Kensington Park Road, London W11 1NR	Tel: 071 722 1086
La Belle Époque, 61-63 Dublin Road, Belfast	Tel: 0232 323444
La Brasserie, 80-81 St Mary Street, Cardiff	Tel: 0222 572184
La Brue Gauthier, 61 The Cut, London SE1	Tel: 071 828 8455
La Truffade, 29 Tooley Street, London SE1	Tel: 071 378 0821
Le Café des Amis du Vin, Covent Garden, London WC2	Tel: 071 379 4449
Le Marché Noir, 2-4 Eyre Place, Edinburgh	Tel: 031 558 1808
Le Merveilleux, 113 Old Street, London EC1	Tel: 071 251 1517
Le P'tit Normand, 185 Merton Road, London SW18 5EF	Tel: 081 877 0996
Le Poulet (Café), 45 Cheapside, London EC2	Tel: 071 329 4378
Les Saveurs, 37a Curzon Street, London W1	Tel: 071 481 8919
Lussell 15 Lowndes Street, London SW1	Tel: 071 235 2525
Markwick's, 43 Corn Street, Bristol	Tel: 0272 282658
Mijanos, 143 Ebury Street, London SW1	Tel: 071 730 4099
Ming, 35-36 Greek Street, London W1	Tel: 071 734 2721
Mon Plaisir du Nord, 359 The Mall, London N1	Tel: 071 589 1932
Monkeys, 1 Cale Street, Chelsea Green, London SW3	Tel: 071 352 4171
Mr Garraways Fish House, 46 Gresham Street, London EC2	Tel: 071 806 8209
Mr Pontas's Candlewick Room, 46 Old Broad Street, London EC2	Tel: 071 628 7929
Newtons, 33 Abbeville Road, London SW4 9LA	Tel: 081 673 0977
Normandie, Elbur Lane, Birtle, Manchester	Tel: 061 746 3869
Odette's, 130 Regents Park Road, London NW1	Tel: 071 585 5486
Oriel, 51 Sloane Square, London SW1 8AX	Tel: 071 730 4275
Osteria Antica Bottega, 23 Northcote Road, SW11 1NG	Tel: 071 978 4771
Pallo, 175 Westbourne Grove, London W11	Tel: 071 221 8624
Pierre Victoire, 10 Victoria Street, Edinburgh	Tel: 081 225 1721
Pierre Victoire, 8 Union Street, Edinburgh	Tel: 081 557 8451
Pierre Victoire, 38-40 Grassmarket, Edinburgh	Tel: 081 226 4472
Pierre Victoire, 52 Coburg Street, Edinburgh	Tel: 081 555 6176
Pizzicato, 34 Rupert Street, London W1	Tel: 071 734 0122
Pomegranates, 94 Grosvenor Road, London SW1B 3LF	Tel: 071 828 6580
Restaurant and Arts Bar, 76 Wigmore Street, Jaegers Court, London W1	Tel: 071 224 2592
RSJ, 13a Colin Street, London SE1	Tel: 071 224 4694
Roud Britannia, 14 Finabury Square, London EC2	Tel: 071 256 6987
Scarlett 10a The Broadway, London SW1	Tel: 071 222 3338
Sheep's, 29-32 St. Martins Court, London WC2	Tel: 071 240 2565
Simpson's in-the-Strand, 100 The Strand, London WC2	Tel: 071 836 9112
Sloans, 27-29 Chad Square, Hawthorne Road, Edgbaston, Birmingham	Tel: 021 455 6887
Smith Restaurant, 25 Neal Street, London WC2	Tel: 071 379 0310
Smolensky's Ballroom, 1 Dover Street, London W1	Tel: 071 481 1199
Smolensky's on the Strand, 105 The Strand, London WC2	Tel: 071 497 2101
Snowers on the Green, 185 Shepherds Bush Green, London W6 7PB	Tel: 071 603 2142
Sonny's, 3 Carlton Street, Hockley, Nottingham	Tel: 0602 473041
Sonny's, 94 Church Road, London SW13	Tel: 081 748 0393
Stephen Ball Bistrot, 71 St. John Street, London EC1	Tel: 071 480 1750
The Café Royal, (Brasserie) 88 Regent Street, London W1	Tel: 071 437 0980
The Lindsay House, 21 Romilly Street, London W1	Tel: 071 439 0450
The Marsh Goose, High Street, Moreton-in-Marsh, Gloucestershire	Tel: 0608 52111
The Victoria Rooms, 87 Gieves Street, Leith, Edinburgh	Tel: 031 554 6787
The Ubiquitous Chip, 12 Ashlan Lane, Glasgow	Tel: 041 334 5007
Turner's, 67-69 Walton Street, London SW3	Tel: 071 584 6711
Tusk 17-20 Kendall Street, London W2	Tel: 071 724 4637
Ramsay's Dock, 35 Park Gate Road, London SW11	Tel: 071 223 1611
The Red Fort, 77 Dean Street, London W1	Tel: 081 748 0434
Tullons Brasserie, 11-12 Russell Street, London WC2	Tel: 071 437 2525
Veronica's, 3 Hereford Road, London W2	Tel: 071 636 4141
Villand Dining Rooms, 89 Marylebone High Street, London W1	Tel: 071 229 5079
Walton's, 121 Walton Street, London SW3 2HP	Tel: 071 584 0204
Wheeler's, 1-4 South Molton Street, London W1	Tel: 071 629 2471
Wheeler's, 20 Dover Street, London W1	Tel: 071 629 5417
Wheeler's, Alcorn, 17 Kensington High Street, London W8	Tel: 071 937 1443
Wheeler's, 125 Chancery Lane, London W2	Tel: 071 404 6071
Wheeler's, 18-21 Great Tower Street, London EC3	Tel: 071 628 3885
Wheeler's, 9-13 Fenchurch Buildings, Fenchurch Street, London EC2	Tel: 071 628 8254
Wheeler's, 33 Foster Lane, London EC2	Tel: 071 630 2460
Wheeler's, 12a Duke Street, London W1	Tel: 071 437 2106
Willoughby's, 25 Penton Street, N1	Tel: 071 583 1380
Young Bin Kwan Korean Restaurant, 3 St Alphage High Walk, London EC2	Tel: 071 638 9151
Zoe, 3-5 Barratt Street, London W1	Tel: 071 224 1122

مكتبة الأمل

HOW TO SPEND IT AND FASHION

Full pelt into the world of fakes

Or is it just a silly fashion?

Lucia van der Post says today's array of synthetic furs means animal magnetism is not just skin-deep

Fake fur is a bad answer to the wrong questions says Robin Lee



ANYONE WHO has ever shrugged their way into a real fur can feel at once that it is warm, glamorous, sexy and, as if many women needed any further persuasion, it lasts almost forever.

But, outside the frozen tundras of Alaska and Siberia where wearing fur could be said to be essential for survival, there has always been another, hidden cost - the aura of the idle rich, of Hollywood excess, the faint hint of the kept woman and, in more recent times, of being unaware, uncaring, spoilt.

Since those long-gone days when Eleanor Glyn despatched herself so exuberantly on a tiger skin, attitudes have changed - real fur may be softer, warmer, longer-lasting, a better investment (and it is all of those things), but, by and large, most of us prefer not to wear it. Some do not dare, some genuinely do not want to and others cannot afford it.

The good news, though, is that the alternatives get better and better. Fake fur used to look stiff, garish and - not to mince words - just a bit common. Modern fibres and mixtures, as well as new ways of treating the fibres, mean that the latest generation of fake-fur fabrics are softer, warmer and infinitely more appealing than their predecessors.

They take colour better -

prints can be soft and subtle, like the smudgy grey and black hooded duffle coat (above) or deliberately, flauntingly bold and eye-catching like Sportmax's glamorous car-coat (above, right). Some ape the real thing alarmingly realistically, others home in on strange and unearthly mutations of leopard, panther, cheetah, tiger, ocelot.

Above all, though, the appeal of the furry numbers featured here is that they are nearly (but not, it has to be admitted, quite) as warm, as cuddly, and as glamorous as their natural counterparts - but all are a great deal cheaper.

If a full coat is not what you are looking for, a range of sumptuous accessories in fake fur has arrived in the shops this winter. Jilly Forge, for instance, in her own shop at 14 Addison Avenue, London W11, has some long fur-cuffed gauntlets, silk-lined, in chocolate, white, light brown or black at £70 a pair that would add panache to almost any outfit. She has a big range of warm, soft squishy hats in almost every shape and colour, from chocolate and light brown to black and white (prices range around £65), as well as muffs (£25) and velcro-fastening fur-collars (£70) which could add instant glamour.

At Fenwick of 83 New Bond Street, London W1, there are some adaptable 'fur' pieces in mottled-grey animal print

which can be used to glamorise gloves, coats (add them as cuffs) or the tops of boots. At £19.95 a pair, they are a bit of fun to cheer up a grim January or February day.

If you still have not bought a winter coat and are thinking that perhaps a fake fur is the answer, Fenwick has the most reasonably-priced classy version fake I have seen - once £268, now reduced to £199, it features a soft grey cat print and is cosy enough to see you through any number of chilly winter days.

Finally, anybody out and about on the high streets will have noticed that the fad for

jungle prints has strayed far beyond just coats - from T-shirts and leggings to Versace's much-photographed (particularly on the Duchess of York) silk blazer; versions, some chic, some kitsch, are everywhere. You could buy an outrageous body or a chiffon shirt, a simple scarf or a luxuriously soft twisset such as the one here from Laura B.

You could pay as little as £12.99 for leggings (at C&A, which has a complete feline collection of its own) or several hundreds for a Versace jacket. The main thing to remember is that animal prints may be fun, a bit of tongue-in-cheek, but they are dangerously easy to over do. If in doubt, do not do more than one spotted number at a time and keep the background colours to grey or black or brown.

SUGAR-COATED: Fake fur can be subdued and subtle, frankly imitative or gloriously fake. It can cater for every mood, from casual through to seriously chic, can be worn trundling round the supermarket or keeping out the chill night air on the way to the opera.

■ From left to right: soft, charcoal grey duffle, with a hood, in 71 per cent acrylic and 29 per cent cotton. Designed by Jean Louis de Paris, in size 12 only, £420, from Harrods of Knightsbridge, London SW1.

■ New long length, all-enveloping coat in black, rust or chocolate, 87 per cent acrylic, 33 per cent cotton, £189 from Whistles, 12 St Christopher's Place, London W1.

■ Outrageously glamorous leopard-print car-coat, sizes 8-14, 63 per cent acrylic, 37 per cent cotton, by Sportmax, £390 from MaxMara, 32, Sloane Street, London SW1.

Illustrations: Kim Datzel



THE ULTIMATE GIFT
from
The Antique Wine Company
A fine vintage wine from the year of the recipient's birth, accompanied by an original issue newspaper from the exact day of birth, presented in an engraved presentation case. Worldwide Delivery.
Call or fax us with the date of birth on UK tel: (0827) 64174 or fax (0827) 64175 or fax toll free from the USA on 1 800 827 7153

GETTING AHEAD: (Above) Warm, soft, squishy hat in chocolate, light brown, black or white, £55 from Jilly Forge, 14, Addison Avenue, London W11.
Dollargrand's zebra-stripe bucket bag is £52 while the leopard-spot version, slightly bigger, is £75 from Harrods (p&p £3 for either). Soft wool triset in grey and black or rust and brown animal print, cardigan £155, sweater £145, both from Laura B, 25b Walton Street, London SW3.

A FULL SET OF SOLID SILVER CUTLERY FOR JUST £1250 - 1000 SETS ONLY -

We are pleased to announce a strictly limited release of our award winning sterling silver cutlery at these very special prices:

44 Piece Set - for six people £1250
60 Piece Set - for eight people £1750
88 Piece Set - for twelve people £2400

Each piece of this magnificent hand crafted and extra heavy cutlery is individually tested and hallmarked by the Sheffield Assay Office and carries an unconditional lifetime guarantee.

The choice we offer is equally impressive - 18 beautiful patterns and a large inventory of useful extra pieces too.

Quite simply the finest full weight, full size solid silver cutlery in the world at remarkably low prices.

Demand will be huge, supply is limited to just 1000 sets, so send for details today by completing the coupon, by telephoning during normal business hours, or fax us anytime.

Alternatively you may like to visit our showroom and factory where a warm welcome awaits you.

United Cutlery of Sheffield

Peter Street, Sheffield S4 8LL. Phone: 0742 433984 Fax: 0742 437128

FORWARD: Please send me full details of your sterling silver cutlery.

Name: _____

Address: _____

Post to: United Cutlery of Sheffield, FREEPOST, Sheffield S4 7ZZ (no stamp required)

TRAVEL

The hunters with feathers in their caps

Nicholas Woodsworth follows the trail of a band of big-game enthusiasts in the Alps and asks: is it right to kill animals for fun?

PERCHED on a ridge amid gloomy stands of pine, the little hamlet of Unter Gösing is not the easiest of places to get to. It sits in the isolated Ottscherland, in a part of Lower Austria where the Alps break up into steep, thickly-wooded hills before falling off into the broad plains of eastern Europe.

Foresters, loggers and small-scale hill farmers live in its valleys. Its upper reaches have a different population - they are much favoured by mountain chamois, moufflon, roe-buck, red stag, and the men who hunt them.

To get there I had left the comforts of the Danube and driven high into the hills through the towns of Ybbs, Scheibbs and Fuchsenstuben. The wilder the names became, the wilder the country too. Up I snaked through steep-sided valleys, towards a blanket of autumn mist. By the time I pulled up outside the Gösing Alpenkühn in the late afternoon, the mist was curling through pine forests below me; I felt as if I had arrived at the end of the Earth.

Could this be the right hotel? Surely not, I thought. I was in the Ottscherland because I was interested in Austrian stag-hunting, much reputed among that shrinking band of enthusiasts still enthralled by guns and big game. But where were the hunters?

There were elderly gentlemen wrapped in fluffy white towels shuffling in and out of saunas-rooms. There were stainless steel dispensers marked "nerve-tee". There were doors marked "colon-hydrotherapy".

None of this immediately suggested unbounded machismo and the simple pleasures of the great outdoors. Could hunting, under the scourge of eco-protectionists, greens, anti-vivisectionists and others have become quite this limp?

The spa-like atmosphere changed dramatically not long after sunset when a small fleet of four-wheel-drive Toyota pick-up trucks crunched to a halt outside. The men who got out were definitely not health-curious, but neither did they measure up to my image of hairy-chested hunters.

Apart from the rifles they cradled, they were dressed

in the traditional hunting

clothes: long socks and buckled

knee breeches, elegant jackets

with silver buttons, long felt

coats, and tyrolean hats with

silky plumes and braided hat-

bands. I had never seen hunters

like these.

More convincing was the

large stag that lay dead in the

back of one of the vehicles. I

gazed at its ruddy-brown coat,

sniffed its pungent zoo smell,

fingered the antlers that rose a

good 3 feet above its skull.

Somewhat guiltily, I avoided

the trusting liquid brown eyes

that had stayed open: no matter

what Hemingway says, wild

animals do not remain beautiful

even in death.

I may have felt guilty, but

not guilty enough to avoid the

game pâté and venison with

cranberry sauce offered on the

hotel game menu that evening.

Surrounded by hunters now

busy quaffing beer, downing

rich red meat and swapping

hunting stories, I discussed my

own stag-hunting plans with

Octavian Gassaver, the hotel's

owner and an avid hunter.

Is hunting barbaric, a

slaughter of defenseless animals

by inadequate individuals? Or,

more nobly, is it part of the

larger cycle of life and death

in the natural world, an

age-old survival instinct buried

deep in man's culture? These

were not questions Herr Gassaver

asked me directly. He merely

wanted to know whether I

preferred to come along as an

observer or wanted to carry a

rifle and hunt.

Simple questions invite more

difficult ones, though, and I

found myself hesitating, for I

have never been able to come

down firmly on one side or the

other of that most emotive of

issues, the morality of blood

sports. I am both attracted and

repelled by them, and that is

why they interest me. Stalking

and killing a large wild animal

is both exciting and senseless.

Is there such a thing as civilised

hunting, or is that a contradiction

of terms?

My first inclination was to

believe that it was all rather

nasty. Take stag-hunting. When

my host told me I would have

a good chance of shooting a

stag, I asked him why. "To

shoot a stag you must find a

stag, and this is not easy", he

told me in his rough and ready

English. "The best way is to

hear it cry. And when does it

cry? When it is in love."

Herr Gassaver, I finally realised,

was referring to the rutting

season. Autumn is the time of

year when stags lose their

caution, come into the open

and try to attract females with

loud and desperate-sounding

mating calls.

My moral problem eased

itself the moment I asked how

much the fees would be. They

varied, I found out, according to

a complex formula of length,

weight, size and shape applied

not to the stag itself - the

animal is not the final object of

the hunt - but to its horns.

What about the stag in the

back of the truck, I asked. I

tried to picture horns like that

hanging on my dining room

wall. About 180 points, Herr

Gassaver suggested. That

would cost something over

25,000 in trophy fees, which did

not include 30 per cent VAT. In

hunting as in most theatres of

life, economics usually push

moral considerations out of the

picture. I retired to bed with

my conscience clear; I would

just watch the early morning

hunt.

I was woken at 3.30am and 30

minutes later was sitting in the

back of a Toyota beside Asia, a

prized red Bavarian blood-

hound. In the front were Chris-

tian Kupfer - her master and

the Alpenkühn's head-hunting

guide - and Didier Hugot, his

client.

Off we bounced through the

forest on dirt roads, down the

mountainside, along a narrow

valley, then high up the oppo-

site ridge. The weather was

abysmal. As we drove through

the dark our headlights cut

through a steady fall of rain.

Nevertheless, Didier Hugot, an

extroverted company executive

from Paris, was up-beat. Hunt-

ing, he told me, was no fun if it

was too easy.

The next few hours were not

easy, but neither were they a

lot of fun. We stopped the

truck in a clearing and stepped

out into cold rain. In the pitch

black I could barely make out

my companions beside me,

much less the steep and heavily-

wooded hillsides.

Christian allowed us not a

single word, nor the smallest

silver of light. How he and

Hugot climbed blind through a

forest without making any

noise mystified me. My own

small achievement lay in

smothering foul oaths -

within five minutes I had

banged into a tree, smacked

my ankle against a rock, and

noosed-dived into a small and

muddy stream. By the time we

arrived, half-an-hour later, at a

small hunting blind, I had

begun to feel that the anti-

hunting brigade was right: this

was a cruel sport.

And there we sat, waiting.

The rain fell and the light

lifted. Occasionally raising bin-

oculars to their eyes, the two

hunters kept their eyes roving

over the dim grey space ahead.

Asia dozed. My bottom was

numb, my foot went to sleep, I

dripped. Nobody spoke, nothing

happened; 6 am came and

went. There were no discon-

solate mating calls, no love-lorn

stags. Finally Christian had to

admit defeat - rain was keep-

ing the stags in the shelter of

the forest. We trudged away.

I felt disappointed. Didier

Hugot, on the other hand, did

not. "There is much more to

hunting, he told me, than the

kill. He estimated that for

every stag he has shot he has

put in 30 hours of hill climbing,

stalking, or just waiting. I

asked him why he came such

a long way to spend so much

money for such hard-earned

results. Was there no hunting

in France?

Of course there was, he

replied. "But hunting here has

nothing to do with hunting at

home. In France, especially the

South, we blast anything that

moves. It is complete anarchy."

In Austria it was different,

Hugot said. Here, as in Ger-

many and Switzerland, there

was a discipline, a strong and

much-cherished hunting tradi-

tion. Teutonic hunting culture

dated from the Middle Ages

when the hunting of "high

game" like deer, roebuck and

chamois (as opposed to "low

game" such as hare and fowl)

was the privilege of the

wealthy land-owning class.

Austrian society may be

more democratic today, but

no hunting traditions per-

sist. Every hunter subjects

himself to a strict code of

behaviour. He takes years to

build the knowledge he needs

to pass an Austrian hunting

licence exam.

"Look how hunters in Aus-

tria dress", Hugot said, indicat-

ing his own cap and clothes.

"In everything they do there is

a style and an attitude that

gives value to hunting. This is

what counts. I did not kill a

stag today. What does it mat-

ter? It is the ambience, the

ethic that is important. The

final act, pulling the trigger, is

almost irrelevant."

Didier Hugot had not dis-

played a blood-thirsty, smok-

ing-barrel-and-spent-shot

machismo. He had not come

remotely close to shooting a

stag. But he had thoroughly

enjoyed himself. Even I, crash-

ing about on the hillsides and

with no qualifications to wear

tyrolean green, had enjoyed

myself. Austrian hunting is an

expensive, esoteric art in

which the means seem to

count as much as the ends.

I did see one more stag

before leaving Gösing, or at

least part of one. I watched

Christian Kupfer outside his

forest chalet boiling a stag's

head in a metal drum to

remove its flesh before sawing

away its frontal bone and

horns. It was not a terribly

pretty sight. Sometimes hunt-

ing is a cruel and barbaric

practice. But I am more

tempted now to believe it can

also be a civilised sport.

■ Nicholas Woodsworth was a

guest of the Alpenkühn Gös-

ing, 3221 Gösing, a.d. Mariazell-

erbahn, tel: 010-43-273-2217.



'Stalking and killing an animal is both exciting and senseless'

from head to toe in that rich tyrolean colour, halfway between olive drab and forest

PERSPECTIVES

Truth of the Matter

Milton! thou shouldst be living at this hour

England hath need of thee, says Nigel Spivey, who especially commends him to David Calcutt

MILTON'S *Areopagitica* is one of those classics of English prose more often quoted than read. "As good almost kill a man as kill a good book," it is packed with such proverbs and pieties of independent authorship easily quoted whenever the question of censorship arises.

Yet its quotability does it disservice. It ought to have furnished principles of guidance to Sir David Calcutt: but presumably he, like the rest of us, supposed Milton to be defending the freedom of authors, not journalists: since not even their most brazen supporters would claim that any conduct of the gutter press carried "the precious life-blood of a master spirit".

Re-reading the *Areopagitica*, I

find that it survives remarkably well not only as the classic case for works of art to find free expression, but also a valid argument against most of the measures proposed for curbing the British press.

It was written in 1644, as an explicit protest against an Order of Parliament intended to confine all printed matter to government-licensed presses. Many "scandalous, seditious and libellous" works had been noted by Members of Parliament, "to the great defamation of religion and government".

The legislation granted powers to the Stationers' Company to search for unlicensed presses and destroy them. Milton's reply to this was cunning in its rhetoric:

he permeated his polemic with anti-Papal sentiments, likening the government licensing system to the protocol of stamping a book with an *imprimatur* - "let it be published" - and treating a grave subject with less than Miltonic gravity. He made it appear as if the legislation were so absurd that it caused even him, a committed moralist, to laugh.

Behind the rhetoric, however, is a core of good sense which deserves rehearsal. The *Areopagitica* does not indulge the classic dilemma of liberalism. That is, it accepts the natural company of both good and evil. It does not propose a template of censorship where printed matter may be judged either proper or improper. Regulation is not a relative

measure here. Government either controls the press, or it does not. If it chooses to control, then it must be consistent. Milton reminds us of Plato's system of enlightened guardians, who were thorough in their regulation. They licensed not only people's reading matter, but people's clothes, people's music, and even people's sex lives.

"Who shall regulate all the mixed conversation of our youth?" he demands. The Platonic option translates into totalitarianism: that is why newspaper editors have universally tagged the Calcutt deliberations as "undemocratic". Milton is not an anarchist. He believes in standards. And he admits that unlicensed printing results in the circulation of trash. But unlike Sir David Calcutt, he

is not prepared to countenance legislation against trash: "I cannot praise a fugitive and cloistered virtue."

From that, one may reasonably suppose that were Milton called to testify today, he would prefer to see his monarchs plagued by paparazzi than place themselves in carefully chosen poses, before carefully chosen image-makers. Agreed, that preference allows shoddiness, mud-slinging and "inaccuracies" - all the impurities to which Sir David Calcutt addressed himself - but it also allows for truth to prevail over half-truth, for gold to outweigh dross, and the preservation of justice.

The onus upon those who suffer attacks from unlicensed printing

is not to produce regulation, but persuasion. The false and the badly-researched will reveal themselves, so long as the powers of selection remain with the reading public, not the nabobs of some statutory council.

The Miltonic attitude may seem optimistic. But it was the same conclusion reached by the Williams Report on Obscenity and Film Censorship in 1978, and Milton would be heartened by the most recent figures from the Audit Bureau of Circulations, which detail newspaper sales for June until November last year.

Taking into account the influence of the recession, there are clear signs of tabloid decline. Not even an *arnus horribilis* can sustain publications dependent upon

perpetual melodrama. It seems. But most heartening to followers of Milton is the 18 per cent fall in sales of the *Sunday Sport*. The initial success of this paper was immensely depressing to anyone with the slightest moral intelligence: its six-month decline from 366,091 readers from June 1 to 229,477 readers in November shows an appreciable upsurge in discrimination from types one might otherwise have defined as cretins.

Acceptable levels of trash. That is what Milton argued for, not only as a price worth paying for the preservation of the free spirit of enquiry, but also as a sort of moral background noise. In his words: "That which purifies us is trial." We recognise quality because we know what is bad; and we do not need Sir David Calcutt, or anyone else, to tell us.

Gardening/Robin Lane Fox

'Yes' to discrimination, 'no' to floral apartheid

Planning a border from scratch has its attractions

WHILE THESE are a bit of a pain to pour down, I have been looking to next season's potential and pondering on a gap in every gardener's library.

Many books exist, but nobody has ever written the ideal book on how to design a garden: what is the reason and what can be said meanwhile?

One reason is the variety of taste which changes in fashion soon complicate, another is the extreme difficulty of being specific when readers have so many different sites, soils and settings in their background. There is also the problem of the illustration.

Drawings and plans cannot do justice to the changes of light and shade during a day or a season. Photographs lie,

although we have all been inspired by them. They fix a particular light or a particular moment; they cast a glamorous focus on one good feature.

Editors tend to print only those photographs which look seductive. Design is also a difficult subject to describe. Books can be grand and lofty or woolly and vague. The late Russell Page was a remarkable example of the former style, rivalled by Sylvia Crowe in the latter.

Matters were not much better in the great age of Capability Brown and his successors. I find that their historic writings suffer the same problems. Without writing a book, I will try to avoid extremes and offer a few guiding thoughts.

Before me stretches a newly-cleared border, blank like the human mind, in the 17th centu-

ry's imagery of one. How do I start thinking about it? I always try to picture the final result in context. Will the design fit in? Will it suit that phrase from the 18th century, "the genius of the place", and look good in its surroundings?

This habit of thought discourages pure borrowing. The wrong way to begin is with something "as seen at Sissinghurst" or in a photo of Tintin-hull, to be copied exactly in east Essex. Unlike foxgloves, other people's bright ideas do not transplant anywhere. Straight plagiarism looks scrappy and unconvincing, although photographs sometimes encourage it.

I will limit myself to some clear thoughts about borders. In a border, I would always go mixed. Herbaceous borders and beds of nothing but roses are

too limited in form, season and texture: why not have some pale blue ceanothus among must roses or mock orange blossom in a bed of civilised pilosae?

Shrubs give backbone, especially if they are evergreens, repeated at wide intervals. My favourite hardy evergreen for this purpose is the white-flowered *osmunda burkwoodii*, as nurseries describe it. In mild districts, I would also use waxy green *pitiosporum*. Several groups of each divide a bigger border into sections which are much easier to visualise. Even in a small garden, start with thoughts of backbone and then span the boundaries by reading and plundering several chapters of sections in a catalogue. You might even like to grow scarlet runner beans on tall stakes for height in the back row.

Books and plans still encourage you to plant in blocks at a density of five plants or more to a square yard. The density is impossibly expensive and I would always prefer to buy one big plant for nearer £3 and split it myself into pieces, growing them on carefully during their first year. I am also against blocks.

The shrewd Miss Jekyll preferred the thinner shape of



A mixed herbaceous border in which you should cultivate an artificial air of wilderness

drifts which are longer than broad. She felt, quite rightly, that drifts were less obtrusive when out of season. This preference is evident in most of her border plans, printed in her books or visible in *lancashire* in a garden shed at Hestercombe, near Taunton in Somerset. I also like to scatter and repeat.

After the backbone, my thoughts always begin with a plant which I want to be the main feature down a border or plant in a garden in any one fortnight. I then repeat individual bits of it often enough to lead the eye in search of it. Designers and their books underestimate this trick. Their schemes are cluttered up with subtle

theories of colour and heights. Meanwhile, the eye will jump over a mass of stems out of season and head for something which is directly in season. You can test this principle on any garden-watcher who comes to visit. They like to be able to say that the sweet rocket is looking wonderful in early June or that the single pink rose *complicata* is amazing in July. The eye must be drawn to something and then led on by repetition so that it overlooks weaknesses and retains one instant impression.

What about colour? My rule here is discrimination. I do not go for floral apartheid. I do not go for single coloured borders, all white or all purple. In very large gardens, they can still be an amusing enclosure, but otherwise they limit choice. Blues, yellows, pale pinks and whites form one group in my mind's eye; all or some of them will combine very happily, provided that the yellows are not too strong. Reds, whites,

oranges and purples are another group which need greater care but could still allow harmony or contrast.

If you are stuck at any point, turn to silver-leaved plants to help you out of the problem. They combine with almost anything and take the edge off a hard colour. As a general rule, strong colour is better near the back of a wide bed. In the foreground, it arrests the eye and diminishes depth. Like all rules, this one is all the better for being broken occasionally. But if you break it too often and put all the ghostly colours at the back, you will foreshorten the border's scale.

What, lastly, are the overriding values? For me, they are scent, season and amiable elements of scintillation. If you are looking for scent, use a specialised book, of which *Scent in Your Garden* by Stephen Lacey is a helpful guide. Always use plants which have a longer season than a week or so: as yet, there is no fully reliable guide

in the UK, least of all the nursery catalogues which imply that their plants will flower for many more months than most of them do. Whenever I descend to detail, it is this value of season which preoccupies me. You can have three or more different borders if you cultivate a sense of season and think of the space as a stage on which different acts in succession will take the limelight.

As for scintillation, you already have the drift of it. Be formal, but not too formal when planting and distributing flowers. You should cultivate an artificial air of wilderness and aim for that moment when gardens look as if they are just about to run out of control. You see why good design is the subject with so few classics: I know this quality when I see it, but I cannot quite describe it specifically. Perhaps it is like theology. The Unauthorised Border: there, perhaps, is the title which might have the properly scary scope.

Fishing/Tom Fort

Other fish to fry

IHAVE often found myself envying other fishermen for their skills, none more so than a Frenchman I met on the Snir in Ireland. He was a dentist from Paris, small, neat and astonishingly accomplished. He extracted the devilishly educated trout from that devilish difficult river with an ease which put my ham-fisted efforts to shame. I have been similarly humbled watching Italians, Belgians, and Spaniards, not to mention Poles, Slovaks and Romanians.

This is fly fishing, which is, and has long been, an international sport. But the majority of the army of anglers across Europe seek their pleasure in species other than trout and salmon. Their joy is in pike, carp, perch and the like. And here there is a gulf between the British and their continental counterparts which it will take more than treaties, summits and avalanches of regulations to bridge.

Quite simply, it is a matter of why we fish, and the division can be illustrated linguistically. In French, there is a word *friture*, for fry-up of little fish. In Italian it is *frittura*. There used to be a word in English, tansy, but it has fallen into disuse because we no longer fry little fish.

The typical French fisherman is not my Parisian acquaintance. He is a figure in a beret, hunched by the Seine, a caporal stuck to his lower lip. With an immensely long pole, he flicks out an infinitesimal bait, whisks out a minute fish, and drops it into a bucket, where he cares not if it lives or dies. At the end of the day, he scoops up the harvest and sets off home, already hearing the sizzle of olive oil.

This is not the British way. Here, we gaily kill and eat our trout and salmon. But, in general, the lesser fishes - be they fat, toothsome carp, or lean, firm-fleshed pike - go back alive.

I doubt if one in 1,000 Brit-

ish coarse anglers has eaten a capture.

The old books are full of quaint recipes for freshwater fish. But we have lost the habit. Within the UK, coarse fishing fraternity, a puritanical aversion to killing fish has developed. A man found knocking a carp or tench on the head risks violence and expulsion from his club.

With this invincible prejudice comes the assumption of moral superiority. The average British fisherman knows little of how they do things abroad. But he knows that the continental angler beats everything he catches to death, and then cooks it with strange and unnatural ingredients. He thus regards him as a barbarous fishmonger, sunk in primitive beastliness, indifferent to the suffering of his prey and to the welfare of the environment.

The view from abroad is equally unflattering. To the continental, the link between quarry and table is central to the sport. He is a hunter, a provider of food. The idea of sitting for hours, enduring every kind of discomfort, only to return the catch to the element from which it has been removed at such cost is laughable. It is another species of English madness.

I like to think I can see the strengths and weaknesses in both philosophies. It seems to me wasteful and wanton to kill every fish you catch, whether anyone wants to eat it or not, and it is a depredation which waters cannot stand for long. But I hate the English intolerance and ignorance.

I will be doing my bit for culinary and piscatorial bridge-building this year. But the lead must come from the top. One day, perhaps, the prime minister will tuck into *carpe à l'ancienne* at the Elysée; and offer the French president at the return banquet stewed eel or barbel stuffed with sweetbreads, crayfish and artichokes. Then we will know the barriers are coming down.

ish coarse anglers has eaten a capture.

The old books are full of quaint recipes for freshwater fish. But we have lost the habit. Within the UK, coarse fishing fraternity, a puritanical aversion to killing fish has developed. A man found knocking a carp or tench on the head risks violence and expulsion from his club.

With this invincible prejudice comes the assumption of moral superiority. The average British fisherman knows little of how they do things abroad. But he knows that the continental angler beats everything he catches to death, and then cooks it with strange and unnatural ingredients. He thus regards him as a barbarous fishmonger, sunk in primitive beastliness, indifferent to the suffering of his prey and to the welfare of the environment.

The view from abroad is equally unflattering. To the continental, the link between quarry and table is central to the sport. He is a hunter, a provider of food. The idea of sitting for hours, enduring every kind of discomfort, only to return the catch to the element from which it has been removed at such cost is laughable. It is another species of English madness.

I like to think I can see the strengths and weaknesses in both philosophies. It seems to me wasteful and wanton to kill every fish you catch, whether anyone wants to eat it or not, and it is a depredation which waters cannot stand for long. But I hate the English intolerance and ignorance.

I will be doing my bit for culinary and piscatorial bridge-building this year. But the lead must come from the top. One day, perhaps, the prime minister will tuck into *carpe à l'ancienne* at the Elysée; and offer the French president at the return banquet stewed eel or barbel stuffed with sweetbreads, crayfish and artichokes. Then we will know the barriers are coming down.

Make A Healthy Resolution



This is the year. You have decided to slim down and firm up. But just watching your diet won't be enough - it will take aerobic exercise, too.

Only NordicTrack offers the total-body and cardiovascular workout you need. Our ExerSkier® fitness machine provides the closest simulation of the smooth, non-jarring aerobic exercise offered by cross-country skiing.

Fitness experts agree: cross-country skiing is one of the most effective forms of aerobic exercise. It combines a comfortable upright standing position with movements that exercise all major muscle groups in both your upper and lower body. Thus, our unique fitness machine can raise your pulse rate more efficiently to the ideal fitness level. Not only does this strengthen your heart and entire cardiovascular system, but you can burn up to 1,100 calories per hour...more calories in less time than with many ordinary fitness machines.

If your goal is fitness, weight control or to simply get more out of the activities you enjoy, we're confident you'll be satisfied with the NordicTrack ExerSkier. All it takes is 20 minutes, three times a week in your own home. Call now. Bring in a healthy new year for yourself and your family.

ExerSkier by NordicTrack

Call our FREE FitnessLine® 0800 616179

M-F 8 AM to 8 PM, Sat. 9 AM to 1 PM
NordicTrack (UK) Ltd., Dept. FT343
113 Regent Street • Leamington Spa
Warwickshire • CV32 4NU
Tel: 01926 430050 • Fax: 01926 470811
©1992 NordicTrack U.S.A. Ltd. A C&G Company • All rights reserved.
See a full range of products and services at our website.

Yes! I want to begin a better life today. Tell me about the NordicTrack ExerSkier, cardiovascular workout. Please tick the appropriate box below:
1 Tell me about the New Year's offer for me!
2 Tell me about the New Year's offer for my friend!
3 Send me a free ExerSkier brochure (V15) (V16)
Name _____
Address _____
Post Code _____
Telephone (____) _____

SPECIAL INTEREST

SEYCHELLES
Hides away on an island paradise.
Save over £100 at the exclusive
Sunset Beach Hotel
7 nights **£949**
Extra week £483
Fly Air Seychelles
Gatwick Jan-14 Mar
See your travel agent or
CALL 081-748 5050
HAYES and HARRIS
ABTA 5412

SELF CATERING

THE VERY BEST VILLAS AND HOTELS
We were the first to find the best villas in Corsu in 1972 and called our Company Corsu Villas. 22 years later, our programmes are even better with elegant houses and intimate hotels in Spain, Italy, Portugal, Madeira featured in our WESTERN MEDITERRANEAN WORLD BROCHURE - whilst villas in Corsu and France are still featured in our CORFU VILLAS brochure.
Please specify which brochure you require by calling 071-581 8851, 071-581 0132 (24 hrs).

CV TRAVEL
43 Cadogan Street London SW3 2PR
ABTA ABTA ATOL 337

WINE TOURS

ARBLASTER & CLARKE WINE TOURS:
Champagne, Bordeaux, Burgundy, Alsace,
Port, Italy, Spain. 0790 288883. ATOL ATTO

ITALY

CAREFREE ITALY
CASTLES • PARADISES
VILLAS • APARTMENTS
IN TUSCANY
& UMBRIA
24 hours brochure hotline
0689 841900
NEW BROCHURE - ONLY ONE COPY
ABTA 11821

TURKEY COAST Monte Argentario, almost
an island, Farmhouse, marvellous sea
views, 5 mins walk from unspoiled beach. Fly
via north of Rome. Tel 01 664 2555. Fax
747 8543

FRANCE

A VILLA IN FRANCE? Continental Villas are
THE specialists. 071 497 0444 for brochure.
ABTA 60919

CONNAUGHT HOTEL
SPECIAL OFFER
Tel: 0203 224020
Top Amsterdam 60 bed hotel, 6 mins
walk to central station, beach, entertainment
nightly, 2 bars, lounge, full bar,
restaurant, 1000 sq ft
with 2000 sq ft
24 hrs 24 hrs
Brochure & details on request
WEST HILL ROAD, WESTCLIFF

HOLIDAYS & TRAVEL

NORFOLK

Peace, Beauty, Excellence
are the three outstanding attributes of eighteenth century VERA LODGE, which
includes in its 7 acre grounds, 12 equally outstanding cottages.
Groups tennis court • croquet lawn • leisure centre with heated indoor
pool • secure • solarium • games room • lounge
An exclusive holiday location for those who demand the very best for themselves and
especially their children. SEND NOW FOR YOUR FREE COLOUR BROCHURE.
5 Vera Lodge, Fakenham, Norfolk NR21 7HE
Tel: (032 874) 261 anytime. Open all year round. Short breaks October to May

VERE LODGE

PRIMA PARK
The blue guide to
the best villas in
The Algarve
with pools • maid service
and car-hire
(0494) 812002 47134

PORTUGAL

ALGARVE
Vale do Lobo • Quinta do
Lago • Praia da Rocha
Lago area. Private villas to
rent with pools & maids.
Exclusive Villas Ltd.
081-947 7300.

HOTELS OVERSEAS

74 Champs Elysees, PARIS
LE CLARIDGE
for 1 week or more, high class studio, 2
or 3 room apartments to let.
FULLY EQUIPPED
- IMMEDIATE RESERVATIONS
Tel (331) 44 13 33 33

SKIING

SKI WEEKEND - Maximum Skiing. Minimum
Time Off Work 2, 3 and 4 day weekends in the
French Alps. Tel 0587 241635. ATOL 2775.

CRETE

F.T. RECOMMENDED. PURE CRETE -
Spring flowers and empty beaches. SIC W.
Crete villas houses. Tel: 081 760 8879
AOL 2757.

SPECIAL INTEREST

Your holiday begins when you open our brochure

By opening
our brochure
you will share in
our world of LEISURE, DISCOVERY and ADVENTURE.
As specialists in long distance travel we provide some of the
best holidays the world has to offer.

RELAX on sun-drenched tropical beaches in Kenya, Seychelles,
Mauritius, Maldives or the Caribbean. DISCOVER culture in
India, Sri Lanka or the Far East. EXPERIENCE the adventure of
trekking in Nepal or an elephant back safari in the African bush.
Book your Elite Vacations with confidence and assurance.

ELITE VACATIONS
ABTA No. CD923
Telephone Brochure Request Service (24 hrs)
081-423 3131
Elite Vacations
98-100 Bedford Road, Haver, Herts AL9 3UT
Reservations Tel: 081-461 4541 (FT 2993)

PROPERTY

Moments of madness bring in the money

England's follies are now highly prized for their individuality and spectacular siting, says David Hoppit

THEY were the aristocratic equivalent of plastic gnomes – the ultimate status symbol, but the follies of the 18th and 19th century have now become an integral part of the British landscape.

Some regard them as vulgar ostentation, but Gwyn Headley believes them to be the "manifestations of architectural individuality that made this

country the cynosure of the world". Headley is so convinced of the appeal of follies that he and three partners have launched Pavilions of Splendour, an estate agency specialising in unusual buildings.

Prices, in keeping with the general theme, are quoted in guineas. The follies on offer cost between one guinea and 1m guineas.

Most follies were expensive jokes with no utility other than as somewhere to store the croquet sticks or

shelter from the rain. Now, however, those that survive are much sought after as unusual homes, built as many are in prime scenic locations.

Take, for instance, Sway Tower, to the south of the New Forest. Headley believes it is "the greatest pure folly tower in Britain" – joint agent Fox & Sons describes it as one of the most remarkable buildings in England.

The tower, started in 1879, took Andrew Thomas Peterson six years to complete; from the belvedere on the 218ft summit, there are breathtaking views as far as the Isle of Wight and Salisbury cathedral.

The present owner, Paul Atlas, said: "Peterson was an eccentric judge who returned from Calcutta determined to prove that it was possible to build a tower without reinforced concrete."

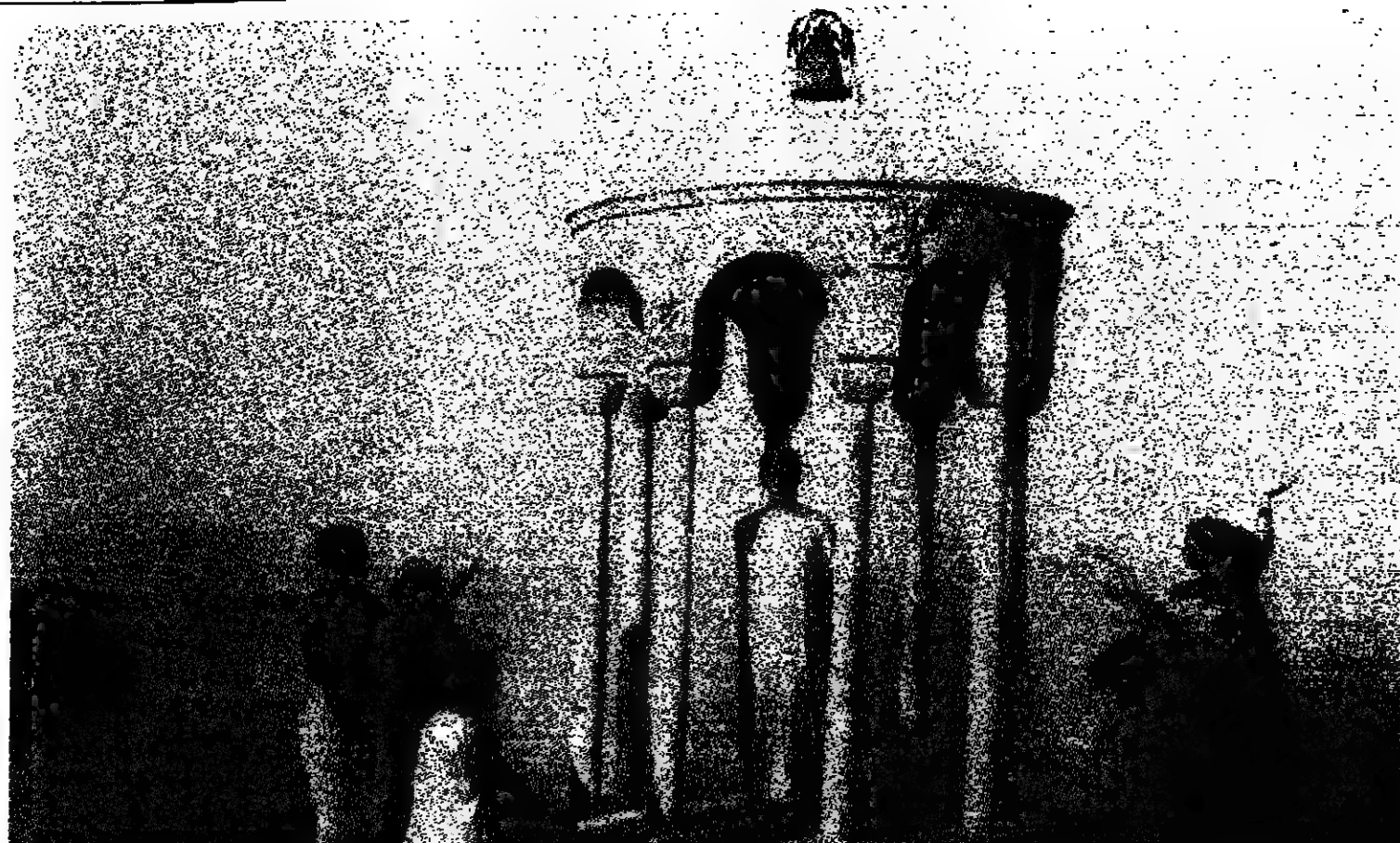
No scaffolding was used by the 40 labourers working on the job. Atlas bought the tower in 1973; he bought the tower later and poured all the family's energy and cash into its restoration after the 1987 gales.

In June last year, it opened as one of Britain's most unusual hotels, with just four bedroom suites housed in the tower with its 330 steps.

There is an indoor swimming pool, a floodlit tennis court and other outbuildings, including a snooker house. Together with the cottage, Sway Tower can be bought for one million guineas.

Another folly on the agency's list is Hadlow Tower, soaring 170ft above Tonbridge, Kent. The grade-one listed, octagonal tower was built in 1838 as an addition to Hadlow Castle, built by William Barton May in the late 18th century and known as May's Folly.

The current owner, Michael Kleser, is looking for a partner to buy a half-share in the folly for about 700,000 guineas, to establish some form of leisure enterprise.



Living in Clovers: the cliff-top house in Tenby, Wales, has an amphitheatre and a temple of the winds, previously the setting for many drama productions



Thameside temptation: an octagonal gazebo on offer for £200,000

Pavilions of Splendour has some decidedly unsplendid temptations as well; there is, for instance, Deepings Lodge, in Deane Park, Corby, Northamptonshire, which could be your home for just one guinea.

The snag is that the guinea buys a 21-year full repairing lease, and there is a lot of repairing to be done on the little 19th century stone lodge, plus the provision of main services.

After many years as a hospital, Craig-y-Nos Castle, in Abercraf, Powys, has been restored to the sort of elegance furnished by soprano Adelina Patti, who bought it in 1878. Patti built a scale replica of Bayreuth State Opera House, plus aviary, conservatory, winter gardens, chapel and many other rooms. Although much of the restoration is complete, there is potential for developing the remainder of the castle.

This means the 550,000 guinea price guide could be just a start, but there is already a monthly turnover of about £30,000 from functions and musical events.

But is it fair to describe buildings of what we call follies as eccentric? "My great-aunt Jessie would have said that her amphitheatre and

temple of the winds were two of life's essentials," said John Blake, who inherited Clovers, in Tenby, from the old woman.

Jessie Allen lost her fiancé in the first world war and threw herself into a drama teaching career at Cheltenham College and at her Welsh cliff-top home. Many a budding thespian had a first taste of Shakespeare in the amphitheatre.

Jessie's Indian-style bungalow has now been replaced with a five-bedroom, single-storey home, with distant views of Lundy and Caldy Island and the Devon coast. There are five acres of land sloping down to private, sandy beaches.

The amphitheatre, with tiered seats cut into the ground, has a raised stone stage. Nearby is the temple, built by Royal Academician Alan Strawbridge; it once had glass wind chimneys suspended from its domed cupola.

The house, land and follies are offered for 250,000 guineas.

Knight, Frank and Rutley has had a good year for Shropshire follies. After agreeing terms for two of the four follies at Weston Park, the firm now offers Sham Castle in Acton Burnell, Shropshire.

Built in the 1780s as a music room for the Bruce Smythe family who

owned the surrounding estate, the folly was restored in the 1980s and is now a comfortable home with remarkable views. The hexagonal first-floor drawing room and its intricate plaster-work ceiling is especially beautiful. The agent eschews guineas, asking £185,000 for a 90-year lease.

Among a number of follies on the market is a little castle and a stone boat house on the Didlington Hall Estate, Norfolk; but Savills says a buyer will have to take on the 460-acres of lakes and farm and all the buildings as well. The original mansion was demolished in 1950 so this could be one of the best building "plots" in the land. Savills also moves with the times, giving the guide price in pounds – £850,000.

Likewise with Hamptons, which suggests £300,000 for the octagonal gazebo in the gardens of the original Richmond Palace, by the Thames. The beautiful folly, dating from the early 18th century, has been meticulously converted into a little home; among the features are arrow-slit windows, now filled with stained glass salvaged from a nearby church.

Pavilions of Splendour: Tel: 0632-679447.



Sway Tower: breathtaking views

LONDON PROPERTY

DOCKLANDS

BANKERS FORCE SALE

RIVERSIDE APARTMENTS

1 BED	2 BED
£38,000	£129,000
£53,500	£68,000

Swimming Pool - gymnasium
24 hr Security - Underground Parking.
Tel: 081 553 6212 Fax: 081 502 3602

299 KINGS RD CHELSEA SW3

Newly created quality conversion of 10 flats in prime locale.

6 vacant, 4 let.
Leased down to end November 1993, producing £51,000 p.a. gross

125 year leasehold.
Offers in the region of **£1,050,000**

Sole Agents

CHESTERTONS

2 Cale Street London SW3 3QU.
Telephone 071 589 5211
Fax 071 823 8768

BARBICAN

Redecorated and carpeted 2 bed flat. South facing. Reduced to **£105,000**.

William H. Brown
071 636 2736

Weekend FT

RESIDENTIAL PROPERTY

Every Saturday in the Weekend FT

Advertise your property in the Weekend FT. to reach an affluent, international audience. Prices from £30 + VAT (3 lines).

For further information please contact Sonya MacGregor, Tel: 071 873 4935 Fax 071 873 3064

LONDON RENTALS

ANDRÉ LANAUVE & Co

UPPER BERKELEY STREET W1
Residential 1 and 2 bedroom flats available on very favourable terms. Fully fitted and furnished to a high standard. Underground parking and maid service can be arranged. From £300 per week.

COURTFIELD GARDENS SW5
Good 2 bedroom 2 bathroom flat in this well maintained conversion. These flats are well decorated and elegantly furnished to a high standard. From £250 per week.

Belgravia Office: Tel: 071-259 5233 Fax: 071-235 2342

LONDON BRIDGE, SE1
Riverside Warehouse apartment. 2 double beds, 2 bath, terrace, garage. Well furnished. Stunning views. £370 pw. E.A. Shaw 071-403 7250

Healey Graham & Co
Residential lettings & management specialists. Superb selection of unfurnished/furnished period houses from £300 to £500 per week. All great locations close to the City/West End. For further details please contact: Tel: 071 354 3253 Fax: 071 704 9590

LONDON-MAYFAIR-CHELSEA-WEST
END, Loc. F1 flat 2, 3 bed semi, inv. from £280 p.w. Tel: 071-388-1188

MAYFAIR, CHELSEA AREAS. 2 & 3 bed
flats avail. inv. F1 luxury from £280 p.w. Tel: 071-388-1188

KNIGHTSBRIDGE
Mews House. 2 mins Harrods. Superb, quiet, int. designed, 2 beds, 2 recep. 2 baths. F/F PopenPohl Kitchen, GCH, £465pw Tel/Fax 071 259 6463 or Tel: 071 584 8732 anytime.

BARCLAY COURT
N° BAKER STREET W1
Well furnished beautiful modern block. Recently refurbished. 4 bedrooms flat with 2 bathrooms. 24 hr porterage. Lift. Beautiful roof garden. £600 p.w. Tel: 071-372 7194

ST. JAMES'S SW1
Fully modernised/furnished one bed apartment. Must be seen. £155,000. St James Realty Ltd. Tel: 071-384-1122.

COUNTRY PROPERTY

BEDFORD
COUNTRY PROPERTY AGENTS
WEST NORFOLK
Close to Great Ouse
FINE 18th CENTURY MANOR HOUSE
3/4 Reception Room, Conservatory, Cellar, 5 Bedrooms, 3 Bathrooms, Coach House. Modernised Cottage, 3/4 Acres. £395,000 (0284) 769999

LINCOLNSHIRE Stamford "Riverside Maltings". Superb develop. of 3 & 4 bed stone built new and restored props. Historic adjacent Burgley House Park. Two min walk from historic town centre. Tel: Jason Ltd. Lincs. (0533) 981541. Prices from £24,000.

HASLEMERE - £275,000
House in 7/8 Acre Grounds
3/4 Beds, 2/3 Recep.
Waterloo 43 minutes
Black Horse Agencies
Gascogne-Peas
Tel 0428 661363

HASLEMERE - £199,000
2 Bed, 2 Bath Apartment
Views, Full Leisure
Complex. Double Garage.
Waterloo 43 minutes.
Black Horse Agencies
Gascogne-Peas
Tel 0428 661363

CLUTTONS

WEST SUSSEX
LITTLEHAMPTON
A fine detached institutional building of about 7,330 sq. ft. in a predominantly residential area of the town. 22 rooms, kitchens, bathrooms and shower blocks, 6 room integral cottage, garaging, workshop, classroom and boiler house. Current Class C2 (Residential Institutional) and considered suitable for a variety of alternative uses including health care, hotel, residential or business.

About 0.66 Acre
HAYWARDS HEATH OFFICE
Tel: (0444) 441166

RETIREMENT

DRAINS: 'NOT ANY MORE!'
If your vision of retirement doesn't include blocked drains, consider an English Country property. You'll appreciate the space, comfort and convenience of our prime-winning cottages and apartments. It is reassuring to know that drain and gutter are our problem, not yours. We look after all external maintenance and are on hand 24 hours a day if needed. Properties now available at Ede's Manor Court, our latest retirement development near Salisbury. Prices from £160,000. To find out more about these and other properties throughout England, ring us for a brochure. The English Country Association 8 Holland Street London W8 4LT FREEPHONE 0800 228858

INTERNATIONAL PROPERTY

FRENCH PROPERTY BUYER

- John Thaw in Provence
- L-plate skiing
- Hundreds of properties to buy or rent – all over France.

They're all in the current issue of French Property Buyer at newsagents now.

PLUS Free sample copy of French Traveller the new magazine for holidays and travel in France

Subscribe now and get a superb CAMERA free Tel: 071-793 0700

FRENCH PROPERTY EXHIBITION

ADMISSION FREE

AROUND 90 EXHIBITORS

29TH, 30TH, 31ST JANUARY 1993

FR. 11.00 AM TO 7.00 PM. SAT. 10.30 AM TO 6.00 PM. SUN. 10.30 AM TO 5.00 PM

THE EXHIBITION CENTRE, NOVOTEL, HAMMERSMITH 1 SHORTLANDS, LONDON W6

FOR INFORMATION TEL: 081-944 5590

Organised by FRENCH PROPERTY NEWS - 3a Lambton Road, London SW20 0LR

BRITAIN'S BEST EXHIBITION FOR HOMES IN FRANCE

SWISS ALPS

SKI AND SUMMER RESORTS

DE LARA & PARTNERS

Specialists in French properties in SWITZERLAND

Old or exceptional portfolio of apartments & chalets in the best locations

REVAUX-DE-LORE

15 Villeneuve Road - London W12 9JL
Tel: 081 749 2128 Fax: 081 749 0329

U.S. PROPERTY BARGAIN

254 half-acre residential lots in high-profile, fast-selling, lake-shore suburb of major southern U.S. city. Priced well below market for quick sale due to partnership dissolution. \$645,000 (\$2,500/sq. ft.). Terms available, confidentiality assured.

A.K. TRADING
Phone/Fax: 44-02071 723 4899
The American Land Specialist

FLORIDA (ORLANDO)

Lovely 3 bed houses with swimming pools

Prices from £40,000

Delany Properties
Tel: (071) 372 7198

CÔTE D'AZUR

(New Census)

Most well superb 1 Bed Lux Apt. Large terrace. Superb views, on Riviera golf course. S. Pool and Tennis. 17 M. FF. e.o.m.

AZUR INTERNATIONAL AGENCE
Tel: (010) 33 92 98 01 02
Fax: (010) 33 92 98 01 11

BORDEAUX - FRANCE

INVESTMENT OPPORTUNITY

18th C Chateau with 1/2km of river.

For Sale with Planning Permission for 20 apartments.

£295,000

Tel: 071 274 2501
6 Milborne Mews, London E9 6RF

SWITZERLAND.

The specialists. Chalets, apartments and permits.

Osborne Solicitors
93 Parkway London NW1 7PP
071-485 8811.

PARIS ENVIRONS Short term with scenic studies and flats. Furnished rentals. In Central Paris. 1 Week to 2 Years. Tel: (331) 47535081. Fax: (331) 47537289

COSTA DEL SOL PROPERTIES. Marbella offices. For information and price list ring 081 903 3741 anytime. We have a wide selection of luxury resale villas.

SOUTH OF FRANCE VAR English Property Searches offer vineyards, old stone houses, ruins to restore, villas. Wide selection with advice and help. Tel: +33 94 04 42 37 Fax: +33 94 04 40 76.

GUYENNE - SWANSEA Whitmarsh & Co Ltd 4 South Englands, St. Peter Port. The Islands largest independent Estate Agent. Tel: 0481 714446. FAX: 0481 713811.

FRANCE CHATEAU In Cognac 2 walled courtyard. FF. 480,000 for quick sale. Ring Victor (0602) 715263. Office house.

On 6th March 1993 the Residential Property pages will focus on FRANCE

For further information please contact Emma Stevenson on 071-873-3591

Dance of death

Continued from Page 1

submission of what was formerly judged on political grounds to the sometimes harsher verdict of the market.

Irina Miroshnichenko, in her pleasant central Moscow flat, puts it this way: "There was censorship before, of course, but there was a lot of freedom to do the greatest plays in different ways."

"There was a lot of innova-



Russian leader Boris Yeltsin: his new era of freedom has not helped the Russian arts

tion, and every town, almost, had its theatre or even opera house. Now, everything is commercial. Some things should be, of course, but in art, not everything." She has not escaped: she is building an apparently successful second career as a singer, with a Plaf-like number called *Ah, Zhal, or, in the French, Quel Damage*.

Oleg Baklitskiy, another of Russia's best-known stage presences and a Russian parliamentarian, made the same point in parliament: "Russian culture is on the verge of destroying itself. Having welcomed the market, artists now demand protection from it."

SALMON FISHING

INVER WATER, RIVER DEE, NEAR BANCHORY

One of the prime salmon fishing beats on the River Dee. Average 215 Salmon annually (10 year average).

Six rods fishing 14 named pools.

Double and single bank fishing. Very accessible and recognised as an easily fished water. Gillies employed. Three luts. Excellent facilities. Limited rod weeks offered by founder members offering syndicate share sale to fish one rod(s) on predetermined week in perpetuity.

Details from the agents: **PHYCOTT DAVKIN & CO ESTATES DIVISION**, 21 NORTHGATE, SLEAFORD, Lincs NG34 7BH
Tel: SLEAFORD (0529) 414333

هكذا من الضحك

SPORT AND MOTORING

NEL KINNOCK was at his most talkative. He had rung twice during the day without getting through. Now the former leader of the opposition was in full flow. He wanted to talk about rugby and specifically the international championship, which begins this afternoon.

Whatever you might feel about his political views, Kinnock's thoughts on rugby are worth paying attention to. He attended the same school as John Dawes, the brilliant captain of the all-conquering British Lions of 1971. He has dabbled in refereeing and when his constituency duties permit he has coached mini rugby at London Welsh.

"Where would I put my tenner?" he mused aloud, and even on the other end of the telephone you could detect the smile of pleasure on his face as he considered the question. He, a patriot, was between a rock and a hard place, forced to express too much admiration for England, anxious not to write off Wales.

"England's backs are terrific footballers" said Kinnock. "If Rory Underwood played in the centre I would be very frightened. He has been under-exploited on the wing and he is such a great defender. Carling is so creative and courageous, Guscott is just magic to watch and Rob Andrew can do anything."

In the end, though, Kinnock said he would not risk his money on England, suggesting there were too many imperfections for him. Carling's team to be a good bet for an unprecedented third grand slam in as many years. In this he is almost alone.

Man for man England are far better than any other side. If you doubt this, compare each England player with his opposite number in the other countries. There are no Irishmen who are better, only one Welshman - Robert Jones is a more accomplished scrum-half than Dewi Morris - and only a couple of Scots and French.

Furthermore, I would back England against a side chosen from the best of the four other countries, such is the hegemony and commitment they have built up these past few years. If selection is based on talent alone, and nationalism is kept out of it, the England should provide a record total of players for the British Lions party to tour New Zealand this summer.

The French at Twickenham this afternoon are one of the two serious threats to England even though they have lost the past five games against England. Pierre Berizier, the French coach, talks about this game as one in which the quality of France's play is more important than the outcome. The French are anxious to forget the bad-tempered games against England in the World Cup in 1991 and the championship last February. Two Frenchmen were sent off during this latter game and later suffered a large measure of humpage and sanctimoniousness came from English officials.

The French are not saints. They



Changing to a grand slam: Wade Dooley, the England lock, in full flight against Wales last season

Rugby Union/John Hopkins

Lone vote against England

As the five nations battle starts, one backbencher speaks against the majority

have a tendency to kick, which to the British smacks of cowardice because the victim is defenceless on the ground. But England are not angels either and Kinnock is not the only person who believes that the English forwards know how to antagonise their rivals and have exploited this dubious tactic to their advantage in the past.

The new-look French team includes Jean-Francois Tordo, a flanker at hooker, which seems a dangerous, though typically French, idea. Furthermore, the French dislike Twickenham. They call it the cathedral and speak of it as one might of a haunted building, as if shivers are running down their spines as they do so.

"France on the right day might do it if everything goes their way,"

said Bob Dwyer, coach of the world champions, Australia. "On such a day France have the game to win though they have not developed much these past few years. But as long as England are right, I can't see them losing."

It will be no picnic for England against Wales at Cardiff where they lost, surprisingly, in 1989. Wales are moving ahead slowly. They need regular doses of dirty realism to puncture the sort of misguided optimism that burst out after they had beaten Ireland last season.

It was hardly a convincing win - by one point and Tony Cosey was lucky not to be sent off for landing a punch on Neil Francis that would have done credit to Frank Bruno, if that is not being unfair to Cosey. It is true that it was Wales's first

championship win since 1969 but it hardly justified the excitement that surrounded it. At the end of the game for the internationalists such as Brian Price, J. J. Williams, Barry John were cock-a-hoop. I heard one of them say: "It's the triple crown now."

Alan Davies and Bob Norster, as coach and manager respectively, have brought some realism to the national team. Their off-the-field organisation is almost as good as that of England and one cannot say fairer than that. The problem that Wales have is they do not have enough good players in the front and second rows nor do they have a stand-off. Most of all, they need an on-the-field general in the way Dawes was when he captained Wales in the seventies.

"If Wales are not psyched out in Cardiff" said Kinnock. "If they get the share of line-out ball that they got against Australia and if they can make an tactical change ten minutes into the second half if things are not going their way then they can beat England. I know those are a lot of ifs but it can be done."

My prediction is that England will top the table with four victories, France will be second, Wales third, Scotland fourth and Ireland, who scored only three tries last season, will be bottom again. I am seriously tempted to place a tenner of my own on England. The white tornadoes have one more title in them. If they win it for me, I will donate my winnings to a charity - of Kinnock's choosing.

Tennis/John Barrett

Smooth path for Seles

THE DEFENDING champion and top seeds, Jim Courier and Monica Seles, were treated kindly in yesterday's draw at Flinders Park, Melbourne, for the A\$7m (£3.1m) Ford Australian Open which starts there on Monday.

Courier can face no-one ranked higher than 69 en route to the fourth round where his seeded opponent would be the young Spaniard Sergi Bruguera. The remarkable Seles, 19 and already the holder of seven Grand Slam titles, has a quiet quarter with either Gabriela Sabatini or Jana Novotna cast as her likely semi-final opponent. Fortunately for Seles the lively Spaniard, Arantxa Sanchez-Vicario, who beat her last year in Montreal, is in the lower half. So is another 1992 conqueror, the teenage Olympic champion, Jennifer Capriati of the US. These two will form the chief challenges to the No 2 seed Steffi Graf who no longer seems troubled by the ankle injury which hampered her last week when she and Michael Stich won the Hopman Cup for Germany for the first time.

It is impossible to look beyond Seles as the likely champion. She has lost only once in a Grand Slam final during the past two years - to Graf at last year's Wimbledon where her attempt to stifle the natural grunt she emits whenever she strikes the ball ruined any chance she might have had of beating an in-form opponent. Already the double-handed world champion has issued a plea for understanding about this vexed question.

"I said after Wimbledon that if I do grunt, great; if I don't grunt, great... I just can't stand everybody talking about it... It took so much away from my game, so I don't want to make an issue of it."

Martina Navratilova (ranked 6) is the only woman among the top 30 who is missing. At 38 one can understand Martina's desire to harbour her reserves for a determined attack on a 10th Wimbledon title. The most remarkable woman in Melbourne is not a player - at least, no longer a player. The former Bulgarian champion, Julia Maleeva (nee Berberian), is the mother of the three sisters Manuela, Katerina and Magdalena. All are seeded. This is a record. We should strike a medal in Julia's honour.

No medals are due to the British women. Only American-born Monica Seles has bothered to challenge. A sad reminder of Britain's lowly place in the tennis firmament.

The men's singles looks ominously strong with only Andre Agassi missing from the top 10. The enigmatic American has never played at the Australian Open and was a last-minute defector with a

bronchial infection. If, as he should, Courier reaches the quarter-finals, he might find either the gifted Czech left-hander, Petr Korda, or the tall Dutchman, Richard Krajcek, as his opponent. Korda is one of the most exciting of the newcomers with hints of Rod Laver about his game, but Krajcek, who was prevented by injury from playing his semi-final last year, is going through a slump. In the semi-finals, Courier should play Boris Becker or Michael Chang.

Courier has not won a tournament since successfully defending his French Open title in June. An early loss would probably cost him the world No 1 ranking, either to his old friend and rival from their days at the Nick Bollettieri Academy, Pete Sampras, seeded No 3, or to Stefan Edberg, the No 2 seed. It is a subject Courier does not like to dwell on. "As long as I am comfortable with the way I am playing, the ranking will take care of itself. It took a while to absorb all the pressures but I don't put extra pressure on myself by thinking too much about it" he says.

He has certainly looked comfortable enough in Adelaide this week in the Rio Slazenger Challenge, an eight man special event which he won last year. This sort of pressure-free match play on the same Rebound Ace surface and with the same balls provides excellent practice for Melbourne.

Edberg, is also in Adelaide with his wife Annette and his British coach Tony Pickard, but not yet completely free of the cold he picked up in Qatar last week where he lost in the semi-finals to Becker. Pickard said he was content with Stefan's draw which suggests a quarter-final against Ivan Lendl, recovered at last from a groin injury, or Wayne Ferreira of South Africa, a semi-finalist last year. Either Sampras or Goran Ivanisevic, the fifth seed, should be lying in wait in the semi-finals.

Becker's prospective fourth round match against fellow German Stich is a tantalising prospect for it was a loss to Stich in Hamburg last year that prompted Becker to seek help from Gunther Brennick to improve his fitness. Anyone who saw Becker's superb form in winning the ATP Tour Championship last November will know just how successful their work together has been. Both Becker and Stich crave recognition as the leading player in Germany so every meeting between them has a special significance. The lone British man in the draw is Wimbledon hero Jeremy Bates. He plays Heath Demman, a 25-year-old wild card from Queensland.

WILL YOU still be skiing in the year 2010? We are all getting older, but demographic research indicates that by the first decade of the 21st century the majority of the skiing population will be "over the hill".

Statistics compiled by the United Ski Industries Association indicate that while most skiers are currently between 25 and 34, by 2010 the largest group will be veterans between 45 and 55. No one knows whether the borders of young snowboarders will make the transition to two skis, or give up winter sports altogether.

These veteran skiers will be fitter, and better off financially. Furthermore, the end of the cold war will allow winter resort development to spread to huge areas previously

untracked. Already, helicopter skiing in former Soviet republics is drawing rave reviews.

Even so, growth in the ski industry is predicted to continue at its current glacial pace. Global warming, recession and even the ecological backlash have all helped slow the schuss which began in the 1960s, when the masses were introduced to package skiing.

In the past few years ski and boot manufacturers have suffered enormous losses. Sales of skis in Britain

are running at less than half their peak in the 1980s.

The travel market has responded with unheard of bargains and price breakthroughs. Ski the American Dream recently advertised a full week of skiing in California with non-stop flights and unlimited mileage car, for less than £400.

Ski will continue to evolve in materials and design towards the perfect carved turn, initiated by the skier simply pressing a foot down flat on to the ski. Bumps and bun-

ions will be eased by foam and silicon injected ski boots as comfortable as carpet slippers.

Skis and boots are already "inter active" in the new Marker Selective Control binding, which can be adjusted for varying snow conditions. Electronic bindings are expected on the market within five years.

Gizmos have always attracted skiers. Gadgets such as the Ortovox electronic "mouse" which allow one to home in on a ski buried in powder snow should not distract atten-

tion from the single most important development in skiing, the partly between comfort and performance.

Skiing gear, both hardware and clothing, is becoming so non-intrusive that you hardly know it is there. Yet the ordinary skier is able to float through deep powder (on the new Atomic wide body skis) or carve rails through sheet ice (on a slalom ski such as the Volkl P10) with more authority and security than an Olympic champion of any previous generation.

Once they have been let loose in thigh high powder snow, skiers are reluctant to return to the piste. Skiing is splitting into fringe disciplines. Surf and telemark are the most visible trends. The future is in adventure skiing: off piste excursions, ski safaris, snowcats and helicopter skiing.

Good skiers are abandoning groomed and crowded pistes for transalpine ski safaris, which offer more varied and extensive skiing in a week than many resort skiers

experience in a lifetime. Wilderness skiing by snowcat or helicopter allows the committed skier, for whom time is more scarce than money, into the kind of untracked, heady snow which is available in resorts only once or twice a season.

Ecological awareness has encouraged more skiers to invade the wilderness, seeking the "natural" experience of snow structures untouched by piste machines and far from the irritating crowds. But it has also brought moves to curtail unrestricted off piste skiing in the Alps. The future for such "free" skiing is in Canada, where authorities still welcome development of resorts and helicopter operations, and in previously unexploited terrain from Kashmir to the Caucasuses.

Skiing/Doug Sager

Into the future on the cutting edge

Motoring

A Jeep off the old block

Four-wheel drives are now also kings of the road, says Stuart Marshall

THE MYTH is that four-wheel drives are bought to be driven over trackless country into the wild blue yonder. The reality is that most of them - in the civilised west, at any rate - are used on hard roads, just like normal cars. All of which makes the future look bright for the Jeep Cherokee estate cars, newly arrived in Britain with right-hand steering, because they are more car-like to drive than any rival. The Cherokee also makes most of its rivals look rather expensive. Prices start at £15,345 for a 2.5 litre, four-cylinder, 122 horsepower Cherokee Sport with a five-speed gearbox, and rise to £20,995 for the leather-seated and wood veneer-trimmed Cherokee Limited SE.

This Jeep flagship has a four-litre, six-cylinder, 184 horse-

MOTORS

SAAB IN WARWICKSHIRE The full range of new Saabs and probably the largest selection of superior used Saabs in the Midlands. Lime Garage Ltd, Royal Leamington Spa. Tel: 0926 423221.

power engine, automatic transmission, air conditioning, ABS brakes, power-adjusted front seats and heated door mirrors - to name only the most important of its goodies.

After more than 600 miles (1,000 km) of on-road - mainly motorway - driving in several six-cylinder, two-pedal Cherokees, I do not think any recreational 4x4 can match it for a combination of performance and value.

This four-door plus tailgate estate takes four adults in considerable comfort, five without too much squeezing. The large, internally-stowed spare wheel makes luggage space adequate, rather than generous.

The Cherokee is nimble in traffic and as parkable as a family car because it has light, power-assisted steering and a commanding range of vision. It

rides more like a family car than any of its on-off road rivals. Winding roads do not make it wriggle or roll and one feels very little thump from its big tyres. The beefy engine and smooth-shifting automatic take a Cherokee from 0-60 mph (0-96 kph) in 9.5 seconds, outpacing any on-off road 4x4, the £38,383 Range Rover LSE included. A top speed of 112 mph (180 kph) is claimed.

High gearing (under 2,400 rpm at 70 mph/112 kph) makes the Cherokee a relaxed motorway cruiser. The transmission kicks down smoothly and eagerly for quick, safe overtaking. Engine, transmission and tyre noise are subdued, the main disturbance to radio listening on a motorway is wind roar. The plastic storage boxes between the seats and in the fascia need a lining to stop

things put in them from rattling around.

On the road, you can choose between rear-wheel or four-wheel drive at any speed. On a fast, 300 mile (483 km) drive in wet weather, I tried both. All-wheel drive on the return journey made the Cherokee feel even more sure-footed but it was no noisier and fuel consumption (19 mpg or 14.86 l/100 km) was unchanged. The four-litre Cherokee will pull a 2,500 kg trailer.

Also in the UK's Chrysler Jeep dealerships this week are the first of a range of Wranglers. These have their roots in the Jeeps of World War two. They still have leaf springs all round, but power steering, a good heater and a hardtop with wind-up windows make them infinitely more civilised. Last summer, I spent two

days bumping and banging seemingly unbreakable and unstoppable Wranglers over the sun-baked rocks of the Rubicon Trail in California. More recently, I found they went just as well in good old English mud.

But even rugged Wranglers are more likely to be seen on British roads than slithering up and down hillsides or plunging into wader-deep water. Young drivers, dismayed by the cost of insuring hot hatchbacks, have been turning to what they perceive as sporty four-wheel drives. I could live happily with a Cherokee as a road car, though I would find a Wrangler too much of a hair shirt. But Chrysler Jeep UK believes the Wrangler (from £12,495 with a 2.5 litre engine and five-speed gearbox) will give Suzuki's



The top of the range Cherokee Limited SE: a host of goodies includes heated door mirrors

Samurai and Vitara and the Daihatsu Sportrak a run for their money.

Is Cherokee a challenger to Britain's Range Rover and Land Rover Discovery? The Range Rover I doubt, though its low price and lavish specification could seduce some Discovery buyers. Most of these,

however, now choose the turbo-diesel, not the thirsty petrol V8 which is the only one with automatic transmission. The arrival of right-hand drive Jeeps will make Britain's recession-resistant 4x4 market expand further. Next year, the bigger, V8-engined Jeep Grand Cherokee

will meet Range Rover head on. Also coming are diesel Cherokees, powered by an improved version of the Italian VM engine used until recently in Range Rovers. Before then, a 4x4 estate car jointly produced by Ford and Nissan in Spain will also have gone on sale in Britain.

BRITAIN'S 1st FORMULA 1 CAR GRAND PRIX
THE 1993 WORLD CHAMPIONSHIP - ROUND 3 - Donington Park, Easter Sunday, April 11th 1993
(Official Qualifying April 9th and 10th) Ticket enquiries Tel: 0602 483456 Hospitality Suite enquiries Tel: 0332 812919

BOOKS

Issues of sex and power

Zara Steiner on the pros and cons of this feminist biography of Eleanor Roosevelt

THIS biography of Eleanor Roosevelt would not have appeared 30 years ago. This is not just a question of new documentary sources or even the current preoccupation with the childhood traumas and sexual activities of our political leaders, male or female. The new feminist biographers, and Blanche Cook is one, insist that the issues of sex and power are as central to the study of women's public roles as men's and that women's passions can provide the key to their influence and importance.

Rather than the dutiful wife of an American president sublimating her interests and passions, ER, as she is called throughout this account, is portrayed as an assertive and independent

**ELEANOR ROOSEVELT:
VOLUME ONE 1884-1933**
by Blanche Wiesen Cook

Blanchbury £25, 587 pages

woman who created her own feminist agenda. Cook's biography is all the more provocative because in her own memoirs ER deliberately obscured the historical record, minimising her political ambitions and revealing almost nothing about her intimate private life. Her closest friends remained silent and, for the most part, concealed or destroyed the letters that would have opened Pandora's Box.

In this first volume of two, Professor Cook dwells on ER's complex inheritance, the alcoholic but adored father and the beautiful but shallow mother who died when Eleanor was eight. Eleanor's first moment of self-discovery occurred at Allenswood School in London's Wimbledon, where the Strachey girls and other daughters of the enlightened, wealthy Anglo-American elite received a disciplined but liberating education. In this heady emotional and intellectual atmosphere the orphaned ER flowered, gaining the inner self-confidence and broader range of sympathies so important to her later development.

The debutante, secret fiancée and then wife of Franklin Roosevelt returned to New York to live the conventional life of her sex and class, distinguished only by a difficult relationship with her domineering mother-in-law, in whose house she and Franklin lived, and by the sense of entrapment and depression that came to engulf the young mother of six. It was Franklin's turn to politics and, above all, the shock of discovering his love affairs that opened ER's inner gates.

Franklin's flirtations and his almost exclusively masculine political life

encouraged Eleanor to become active in the "new women's" political groups of the 1920s. Here she made her first feminist friends, including the political activists, Nancy Cook and Marion Dickerman, a lesbian couple who later lived in a cottage on the Roosevelt estate and with whom ER enjoyed an intimate personal and professional relationship for over 15 years. As her husband climbed the political ladder, ER embarked on her own career in politics, journalism for women's magazines, and part-time teaching at a girls school bought and run by Eleanor and her friends.

Cook is particularly acute on the kind of bondage created by financial dependence, whether between mother and son or husband and wife, and its effects on the Roosevelt marriage and ER's quest for independence. She catches the tensions created by Eleanor's double life during the early stages of her husband's struggles with polio and the growing gap between ER's mother-wife and politician-teacher roles.

The personal compromises and the totally unliberal treatment of her own daughter suggest how incomplete was ER's emergence from the conventions of the times, despite her strong female friendships and an independent power position in an anti-feminist Democratic Party.

There is more in this volume about ER's emotional involvements than about her political activities though Professor Cook sees them as equal parts of the same story. These include not only Eleanor's close friendship with Nancy Cook and others but also her relationship with Earl Miller, the handsome, young bodyguard who became her companion, defender and champion. The volume ends with the Roosevelts' move into the White House and the start of what is described here as Eleanor's lesbian affair with Lorena Hicks, the Associated Press's senior woman reporter. With so much of the evidence missing and final conclusions always a question of judgment, Cook follows up every lead and includes every detail.

If only she had used a more delicate brush when filling in the political background and selected a wider range of colours when dealing with her male politicians, we might have been spared some of the all too numerous illustrations of ER's shallow and opportunistic political convictions. Professor Cook's claim that men enter politics for personal fulfilment while women try to get things done is, even in terms of ER's odyssey, open to question. A good feminist biography does not need to fight the war of the sexes.

Commercial reasons apart, the decision to conclude the volume in 1933 raises questions about the feminist approach to historical biography. In the



not-so-distant past, when little was known about the intimacies discussed here, it was ER's outspoken political views and public causes that made her an exceptional presidential wife and the focus of interest and intense debate. Is it a hopelessly outdated suggestion to say that the sexual life of any statesman or stateswoman is only of historical interest because of what they did or accomplished?

If this first volume, written from a feminist perspective, brilliantly casts its subject in a radically different light, the next must locate her in a broader context involving issues that go far beyond those of power and pleasure. It still remains to be seen where ER should

stand in the pantheon of feminist heroines. The focus on who she was and how she lived makes sense only because of Eleanor's subsequent political and humanitarian contributions.

If Cook finds the right balance between ER's private and public worlds, she will not just have created a stir at a time when Hillary Clinton comes to Washington but will have significantly advanced the cause of feminist biography. As someone who regularly read Eleanor Roosevelt's syndicated *My Day* column, I found this a fascinating and revealing, if disturbing, book. I wait to read the next volume.

by Wells's wife Jane who condoned his numerous affairs. In spite of her husband's ceaseless pursuit of younger women, Jane remained firmly married to Wells until she died suddenly from cancer in 1927.

Coren gives yet another account of Rebecca's affair with Wells. We have already been through it several times in earlier biographies and viewed it from the points of view of all the principal players - including that of Anthony Wells, the fruit of the affair. Coren has had access to the Wells papers in the University of Urbana, Illinois and he interviewed Anthony Wells before he died. Coren's chapter, "A Woman of Some Importance", is the best researched part of his book. Here are the main events of the affair from the standpoint of a detached observer.

Indeed, Coren has written a punchy stimulating book, if over-selective in its treatment of the vast material. He deals much more bravely with most of the other mistresses, dispatching Moura Budberg - whom Wells said was one of the few women he really loved - in half a sentence. Nor does Coren seem to realise quite what a feat it was for this son of a housekeeper and a professional cricketer to gatecrash an Edwardian literary world run by the darlings of the country house set like Harry Cust, another great Don Juan of the time. He appears here as Harry "Crust" - a misprint but rather an apt name for him. Coren seems unaware too that Wells was in New York in 1941 lecturing at the behest of the British Ministry of Information. The lectures were a flop. Maughan, who heard them, commented on his old friend: "he has always been too busy to be much of a philosopher". Coren's book makes the same point at rather greater length.

Anthony Curtis

The sinister side of a jolly uncle

inferior races, black, yellow and Jewish. This proto-fascist attitude cannot be dismissed as a mere youthful aberration. Wells's racism and his view that the world should be run by an élite of samurai persisted and crops up, as Coren documents, in later works; some are now totally forgotten, but others like *Tono Bungay* and *The New Machiavelli* are still read. It was only at the end that Wells gave up all hope for the world in that final book, *Mind at the End of Its Tether*, published in 1945 when he was a sick and dying man.

In making his case Coren is obliged to take down some pretty dirty Wells tomes from the shelves and, even if he did not have to cut their pages, he must be one of a rather small group troubling to read them today. Still, Wells put his name to these programmes of ethnic cleansing and he published them. They were read, reviewed and made their contribution to the climate of opinion. There is no gainsaying them and Coren is perfectly right to draw attention to them.

Even at the height of his fame the image of Wells as a jolly uncle at a family Christmas party was not accepted wholly uncritically. Rebecca West, in a famous essay she wrote after her great affair with him was over, had serious reservations about his work: "All our youth [she wrote] think about the houses of our minds like Wells, the Big Four [Bennett, Shaw, Galsworthy and Wells]... They had the generosity, the charm, the loquacity of

visiting uncles. Uncle Wells arrived always a little out of breath with his arms full of parcels, sometimes rather carelessly tied, but always bursting with attractive gifts that ranged from the little pot of sweet jelly that is *Mr Polly*, to the complete mezzanine set for the mind that is *The First Men in the Moon*". After more in this vein she put

THE INVISIBLE MAN: THE LIFE AND LIBERTIES OF H.G. WELLS
by Michael Coren
Bloomsbury £20, 240 pages

the boot in and cruelly parodied him: "...his prose suddenly loses its firmness and begins to snake like blancmange. 'It was then that I met Queenie. She was a soft white slip of a being, with very still dark eyes... Oh, my dear, she said, my dear... darn your socks... squaw'. But take him all in all, Uncle Wells was as magnificent an uncle as one could hope to have."

Wells was livid. "The thing" he wrote in a private letter to her, "is a lie and a damned stupid one. You can go through all my books and list the woman characters, not a bad lot from Aunt Ponderoso to Joan and from Ann Parnick to the *Mechanite* women - and you can't find three pages to justify this spiteful rubbish". What hurt especially was the crack about "darning his socks... squaw". It was the role played

A neurotic soul goes on holiday

IMPOSSIBLE VACATION
by Spalding Gray
Picador £14.99, 228 pages

BROKEN VESSELS
by Andre Dubus
Picador £15.99, 195 pages

with Gray's work will know, what really distinguishes the book is its voice - mordant, obsessive, working overtime. It is the voice of neurotic America, of the soul that arrives in Eden only to wonder what's the next stop on the itinerary. Another distinctly American

Game, set, match to the mandarins

THIS is a very remarkable book, not only for its contents but also on account of its structure. It is very long - 621 pages dealing with the 32 months that it took Lord McCartney to take his diplomatic mission to China and back. He hoped to establish an embassy at the Celestial Court. He failed utterly, so 600 pages may seem a very generous amount of space and the method adopted by Peyrefitte may seem leisurely indeed.

The art of Peyrefitte lies in his use of chapters. Chapter I begins with McCartney's departure from Portsmouth on September 26 1792: 39 chapters later, on September 8 1794, McCartney drops his anchor in Portsmouth, his mission completed. Each day of McCartney's journey is covered; no chapter is less than three pages and none more than nine. This could have led to tedious monotony but Peyrefitte at times allows himself to cover considerable periods in short chapters - the outward and inward journeys, for instance, mentioning only incidents such as stopping at St Helena on the way back.

However, he uses these repetitive days of sailing very neatly: on the journey from Madeira to the Cape Verde Islands, for example, he sketches the political and social climate in which McCartney had pursued his career and, in the next chapter, as they skim along before the trade winds, the outlines of his biography are covered and the structure of his character delineated.

Once China is reached the chronological tempo is diminished: chapters cover a few days, some only one. And here the longeurs are again avoided by discussions of Chinese food, buildings, dress, agriculture, women's feet, pedantry among the Mandarins, etc. The history and geography of China in general, and of the Manchu world in particular, are conveyed with remarkable

economy and clarity and, when the long journey is completed, not only is the enormity of the disaster revealed but so is its inevitability.

During the journey Peyrefitte weaves a vivid tapestry. He brings alive the Chinese countryside, the harshness and monotony of the landscape of the north, and the vivid subtropical South with its richness of colour and abundance of produce. He brings home to us the vast size of the Chinese Empire with its teeming peasantry and multitudinous craftsmen and merchants, outpopulating Europe, including Russia.

THE COLLISION OF TWO CIVILISATIONS: THE BRITISH EXPEDITION TO CHINA 1792-4
by Alain Peyrefitte
HarperCollins £20, 621 pages

For four thousand years, in spite of civil wars, the infiltration of Buddhism and thousands of peasant uprisings, the institutions of government had strengthened, not weakened. Furthermore, China had enjoyed a considerable technological advantage over the world beyond its bounds, especially in hydraulics. Peyrefitte makes us see how reasonable were the mandarins' and emperors' monumental conceit and why they regarded McCartney's eruption into their world as an unmissable irritant to be got rid of, with courtesy but minimal cordiality, as soon as possible.

As chapter follows chapter the characters - McCartney, his deputy Staunton and his scientists and artists - become rounded personalities. Peyrefitte understands their behaviour, at times their wonder, but, more importantly, he stresses as day follows day the growth of a more critical attitude towards the Chinese and their society, with the filth, the disease, the absurd dependence

on necromancy, the attitude to women. For McCartney their utter failure to show the slightest interest in the Western technological marvels which he had brought the emperor as presents completed his disillusion. Voltaire's image of China (based on self-flattering reports from Jesuit missionaries) as a well-ordered state created by philosophers - stable, rich, with outstanding technical skill and effortless wisdom - vanished.

McCartney now realised that the Chinese empire would never change, except through force. As Peyrefitte so wisely points out, even force and decades of Maoist communism have been unable to break down these cultural attitudes that have been building up like a coral reef for 4000 years. Hatred and fear of foreigners, the rock-like belief that the Chinese way is always the best, and best interpreted by aged men, still persist. Chris Patten should read this book.

Although most of what Peyrefitte writes about is based on the work of scholars, he has discovered two new sources of the highest value which he uses with skill: one, the annotations made by the emperor himself in scarlet ink on edicts and documents relating to the embassy, and the other an astonishing, clear-eyed, perceptive diary of young Thomas Staunton, a boy of 12, the only Englishman on McCartney's staff to speak, write and read Chinese. By the time he returned home at 16 he had come to the right conclusion - that it would take war to break open China; he spent his life promoting it.

This is a wonderful book, a work of very high intelligence and remarkable clarity, suffused with wisdom and a deep sense of the problems of human existence and cultures. It is a very great achievement and the small chapters make it easy to devour.

J.H. Plumb

Prophet or misogynist?

Jackie Wullschlager considers Lawrence's sexuality

ON Lawrence in love, there are two stories. In the first Lawrence the hero was a sexual prophet who understood women and whose novels - especially after the *Lady Chatterley* obscenity trial - hastened the sexual revolution of the 1960s. About 20 years ago, this character began to be challenged by Lawrence the villain, a puritanical misogynist who wrote about women's sexuality to compensate for his inability in life to relate to them, and whose books still encourage patriarchal oppression.

This new account of Lawrence's lovers and friends extends the debate. Elaine Feinstein is perceptive and sympathetic, though offering neither a scholarly nor a radically new approach. But the old anecdotes are told with verve and pace; by condensing so many tales of friendships broken, romance ruined by fear, Feinstein draws a compelling portrait of a man whose defensive dogmatism wrecked his and other lives.

Creativity and sexuality are threaded together in Lawrence as in no other writer, so the story of his women is at once the story of his life and the main theme of his work. A sickly mother's boy who loathed his coal miner father - "now we are going to be very happy while Father is away," he announced when his father had an accident - Lawrence was a bit with the opposite sex from the start.

In his teens, he began the turbulent but chaste friendships with women which lasted through life. He shared his literary hopes with Jessie Chambers, who launched him into

print by sending his work to Ford Madox Hueffer's *English Review* and waited years for him to become her lover. But he was too deeply in thrall to his mother, and their brief, fumbling affair was an intense disappointment. Their story is Paul and Miriam's in *Sons and Lovers*, which Jessie called "a fearful treachery".

Lawrence was unrepentant: "If I need any woman for my fictional purpose, I shall use her. Why should I let any woman come between me and the flowering of my genius?" The pattern recurred, most

LAWRENCE'S WOMEN: THE INTIMATE LIFE OF D.H. LAWRENCE
by Elaine Feinstein
HarperCollins £18.00, 275 pages

famously later in his career in the satire on Ottoline Morell as the pathetic bohemian hostess Hermione in *Women in Love*, written while Ottoline was keeping Lawrence in funds.

In 1912, the neurotic inexperienced writer met the older, worldly woman who could replace his mother: Frieda Weekley, the bored wife of a Nottingham University professor, was a German aristocrat, daughter of Baron von Richthofen, and a disciple of Freud. She repaid her husband for a disastrous wedding night - she perched naked on top of a wardrobe and he coldly ordered her to come down and get dressed - by a string of affairs: her elopement with Lawrence to Germany, and their subsequent wandering across Europe and America, is one of the great literary love stories of our century.

John Worthen, in his superb biography *D.H. Lawrence: the Early Years* (1991), argued that Frieda's influence led Lawrence to see women's liberation in overwhelmingly sexual terms when the mass of women, like Jessie Chambers, felt as oppressed by class and lack of education as by sexual convention.

Feinstein, by contrast, charts his work as the response to Frieda's voracious demands and his own sexual terror. It surfaces desperately in the poems ("Why were we crucified into sex?") and in *The Plumed Serpent*, which prescribed female passivity and denied satisfaction as a moral duty. It is also the undercurrent of *Women in Love*, about "the difficulty in finding salvation through sexual love", and *Lady Chatterley*, written when Lawrence, like Sir Clifford, was betraying him with a younger, wilder man.

Feinstein is excellent on Lawrence's mask of cruelty to cover weakness - denying his own TB, he called the tubercular Katherine Mansfield a reptile "stewing in consumption" whom he hoped would die. Bertrand Russell, receiving a viperish letter which accused him of "repressed mental blood lust", decided Lawrence "led straight to Auschwitz". Lawrence's refusal to face his own repressions created psychologically dishonest characterisations, such as Birkin, the self-portrait in *Women in Love*. Feinstein is not the last word on the fiction or on the life, but her jigsaw of the paradoxes make between them an account which no Lawrence lover, or hater, would wish to miss.

WHO'S WHO 1993

- 29,000 biographies
- authoritative
- up-to-date
- indispensable

£85
available now
A & C Black

BREWSTER North, the angst-ridden narrator of Spalding Gray's memorable first novel, suffers from a dire complaint - he just can't enjoy his holidays. The moment he arrives in India or Las Vegas or Amsterdam, he finds himself wondering if some other destination might not be more suited for his psychic well-being. To make matters worse, he has serious doubts about whether or not he has enough of a life to leave behind. As a result, he is forever undertaking arduous journeys that somehow land him, unfulfilled, on his own darkened doorstep. Gray is best known for his remarkable film *Swimming to Cambodia*, a monologue account of his quest for a "perfect moment" in Thailand.

Impossible Vacation presents a similar pilgrimage. It opens with young North visiting the beach with his disturbed mother, who soon travels to that great Butlins in the sky via a time-filled garage. All is idyllic until an uncle returns from the South Pacific, filling boy Brewster's head with postcards of paradise that haunt him for the rest of his life. Thus begins his tortured progress from experimental theatre in New York to experimental sex in Amsterdam, from an ashram in Poma to a prison in Las Vegas. It is only

when he descends into the Grand Canyon that Brewster is able to achieve some sort of peace, to pass through the Nothing to Declare chute of his own soul.

Gray's book is funny, full of insight and often quite bold, especially in its sexual sequences, which include Brewster's ill-starred career as a porno film actor and his affair with a woman with a penchant for pig masks. Spanning the 1950s to the present, it provides a consistently ironic view of a generation's failed attempt to track down paradise. But, as anyone familiar

with Gray's work will know, what really distinguishes the book is its voice - mordant, obsessive, working overtime. It is the voice of neurotic America, of the soul that arrives in Eden only to wonder what's the next stop on the itinerary. Another distinctly American

voice can be found in *Broken Vessels*, a collection of non-fiction by one of that country's most under-rated short story writers. Like his fellow realists Carver, Ford and Wolff, Andre Dubus is a grunt in the army of American literature, working his way slowly yet relentlessly through the battlefield debris of his nation's daily life. His non-fiction bears the same virtues as his stories - resolute honesty, detailed perception, effortless prose.

The book's first essays are the most accomplished, particularly "Under the Lights", which depicts Dubus's boyhood

job of chasing foul balls for his local, woebegone baseball team. There is also a memorable account of a cross-country train ride, as well as a shocking brush with America's conscripted legal system. These essays are followed by examinations of the pitfalls of a career as a short story writer, the book's weakest section, that should appeal mostly to fellow authors.

The last group of essays deals with what is no doubt the meat of the book - the horrific injuries Dubus suffered in a 1986 car crash, leaving him confined to a wheel-

chair. Dubus writes about his plight with unblinking honesty, whether it be the effect of his paralysis on his young marriage or the terror of watching helplessly as his one-year-old daughter severs her finger. The ex-Marine even finds it hard to stand up to a leat in a theatre, not out of fear but rather because "if you confront a man from a wheelchair you're bullying a man in a chair." Fiction writers such as Dubus are often judged by their ability to cast a cold eye on imagined tragedy. It is a testimony to Dubus's skill and integrity that he is able to bring this dispassionate vision to bear on a very real, very personal crisis.

Stephen Amidon

BOOKS/ARTS

Marlene, the mistress of divine scorn

Nigel Andrews considers Dietrich and the true condition of stardom

THE DAUGHTERS are massing on the skyline. The come-lately biographers are gathering on the tree-branches. And the publishing industry is racing about the land signing up memories.

Death in show business is a grim spectacle. No sooner has a deceased legend completed his or her lying-in than the body is taken out to the vultures. Is there anything new to be said about Dietrich? Oh, yes. Lots and lots, according to these two books. There she is, the goddess with the smoky voice and hooded eyes, peering out from the two interchangeable black bookjackets with an interchangeable Mona Lisa smile, daring portraitists to penetrate that enigma called a face.

Maria Riva, Dietrich's daughter, offers a family perspective on the legend. What was it like sharing a house with Mum, Dad, Josef von Sternberg, Mercedes de Acosta (lesbian lover), Erich Maria Remarque, a dog, a maid and anyone else who happened to be passing by with suggestions as to make-up, love life or career direction. Steven Bach, a former United Artists executive and author of the *Heaven's Gate* hatchet job, *Final Cut*, goes for the movie angle.

Onward we trawl through *Morocco*, *Shanghai Express* and *Touch of Evil*, seeking the constant Dietrich in the changing movie character.

But of course the movie character never did change. Dietrich was as immovable as a Caryatid through her seven great Von Sternberg films. (Not all were great individually, but taken whole the septet was a mythopoetic masterpiece.) She did let the odd hair down in *Destiny Rides Again* - fourth hair from the left, if I recall - and she let a whole wig down as the cockney-impersonating murderess in *Witness for the Prosecution*. But it was the same Dietrich, whether hieratic or histrionic. She made film acting seem easy because she never did any.

Yet she obsesses the entire world. In neither book do we quite find why, though Bach's 600 well-researched pages are written with wit and vivacity. He tunes in to Dietrich's camp charm and the absurdist cult-decades of her (best) movie plots. Of *The Scarlet Empress*:

"There is a war going on. Finland? Doesn't matter. Back to the real battlefield - the bedroom." And he responds to Sternberg the stylist's dazzling line in petrified exoticism. I laughed out loud when I read that Clive Brook came to *Shanghai Express* having just had a face-lift. As if a movie needed two main characters with paralysed face-muscles.

Bach enjoys the backstage secrets of the movie business. Dietrich's "tape lifts" (hitching her facial skin up to bestow instant youth); Charles Boyer's sandblown, accident-prone wig in *The Garden of Allah*; Sternberg's command that all the actors speak in the click-clack rhythm of trains in *Shanghai Express*. But he never, we feel, quite knits the minutiae to the macro-picture.

Dietrich became a star by bowing to all these imperatives. But she bowed in a spirit not of obsequiousness but of

MARLENE DIETRICH
by Maria Riva
Bloomsbury £25, 792 pages

MARLENE DIETRICH
by Steven Bach
M HarperCollins £18, 610 pages

lordly, luminous passivity. There was a divine scorn in her obedience: a scorn that came out later in Maximilian Schell's spellbinding documentary *Marlene* (Bach has a good passage on its making). When Schell recorded the cranky star in Paris at age 52, she kept calling everything she ever did in movies "quatsch", German slang for tripe. But the disdain she poured on her own legend was, of course, the disdain that made that legend.

If Bach does not join all the dots, Dietrich's daughter Maria Riva scarcely joins any. Her book's most inspired episode - Bach would have made a meal of it - is thrown away. It depicts Dietrich on a farm, helping to deliver a calf while dressed in a peach-satin dressing gown and using for lubricant Elizabeth Arden's Blue Grass Facial Oil. This beats even the high heels kicked into the sand at the end of *Morocco* or the pre-firing-squad lipstick in *Destiny Rides Again*.

Riva does not seem to possess a sense of humour. Elsewhere her book is at once



Dietrich in 'Stage Fright'

frank and elusive. Flying into the star's orbit like moths around the flame are such exotics as Ernest Hemingway, Fritz Lang, Maurice Chevalier and Mercedes de Acosta (or, as Clifton Webb dubs her in a quoted letter, Countess Dracula de Acosta). This gaunt vampire (see picture page 147) was Greta Garbo's cast-off Sapphic friend and may or not have become Dietrich's.

But then may-or-may-nots abound. While Riva regales us with some melodramatic certainties from her own life, including teenage rape by a quasi-protector foisted on her by Mum, the portrait of Dietrich becomes fogged by the ever more prolix confusion of perhaps-lovers, floating friends and quoted-at-length correspondents. Whenever Riva sharpens focus, it is to be unfavourable: from the 49-year-old German star to enunciate her virtual first word in a Hollywood movie - "Help" - to the final *Sunset Boulevard*-ish melodrama of Dietrich's dying days. "Her once translucent skin is parchment. She exudes an odour of booze and human decay... Her snarls are ragged, spittle trails from her furrowed lips. Like a fetus she lies, bony hands cradling a sunken cheek..."

With daughters like this who needs demographers? Domestic intimacy being what it is, we learn facts about Dietrich from Riva that we could learn from no-one else. But often they are spiteful, partial facts, conjured not for improved portraiture, one suspects, but for personal exorcism. Bach's book, a more traditional fan-heated tour through the career, gets us closer to Dietrich the diva and to the strength of her lofty, luminous indifference. "Being" not "doing" is the true condition of stardom, Dietrich "was" more radiantly and effortlessly than anyone else in movie history.

Parry, an almost Elgar

HUBERT Parry was almost, but not quite, the Elgar of his day. Elgar acknowledged the kinship. Scholars have spent the years since Parry's death in 1918 trying to explain the shortfall.

Much of Parry's achievement was against the odds. His mother died soon after his birth and a youthful heart condition persistently interrupted his career. His dotting marriage conferred some income, but its stability hinged on a frail, hypochondriac wife and insipid aristocratic relations.

Parry was a classic victim of the late-19th century Brahms-Wagner divide. His traditional grounding in harmony and counterpoint often threatened to muzzle his thematic inventiveness. He revered Brahms, but his instincts lay with Bayreuth, whither, with his mentor and champion, the Liszt pupil Edward Dannreuther, he made ritual pilgrimages, like

Elgar after him. An insatiable workaholic, Parry deputised for Grove on the first edition of his pioneering musical dictionary. Succeeding to the directorship of the new Royal College, he later became Professor at Oxford. Open, generous and conscientious, he strove unsuccessfully to resolve the fustian Elgar-Stanford feud and was the principle inspiration to young composers of the successor generation.

Tensions were inevitable: between academia and sufficient time for gestation and composition (his output, including chamber, organ music and a dozen volumes of songs, was vast); between symphonic writing, at which he

excelled, and the flood of fashionable religious cantatas solicited for larger festivals and choral societies, whose sentiments quickly pallied with his liberal, humanist leanings.

His solution to this, a sort of pantheistic or humanist "ethical" cantata, to a melody of texts by Browning, Bridges or himself, brought mixed success. Had he allowed his Westminster inclinations unashamed rein, like *Delius with A Mass of Life*, he might have caught the spirit of an era. His best efforts, endlessly revised, remain uplifting, if bitty, their blend of resurgent classicism and proselytising text can appear bland.

Jeremy Dibble's critical biography - the first for six decades - is as welcome as it is overdue. Parry's family background (he inherited his painter father's estate near Gloucester) and struggle for early recognition while working for Lloyd's of London, are well charted. Elected a member of the Royal Yacht Squadron in 1908, his relaxation involved sailing a 73-foot ketch from Sussex to the coast of Galway, or entertaining friends like Burne-Jones, Balfour and Mrs Pankhurst, whose demonstrations he espoused.

This is an enthusiastic, painstakingly researched book, backed by generous, interspersed musical examples. It discerningly attempts for Parry something akin to what Percy M. Young's *Elgar, O.M.* did for his successor. Some of the wolder analysis preserves a ring of the doctoral thesis. But the judgments are neither dogmatic nor cloying. Parry's correspondence and diaries have been left dormant too long; that Dr Dibble has restored them and reassessed the music deserves our gratitude.

Roderick Dunnett

Hubert Parry's Complete Symphonies have been recorded on Chandos, CHAD 9120-2

Moved by The Deep Blue Sea

Malcolm Rutherford hails the revival of Rattigan's play at the Almeida theatre

TERENCE Rattigan's *The Deep Blue Sea* struck me as one of the best and most moving English plays I had read when I first came across it as a boy in the 1950s. At school we read John Osborne's *Look Back in Anger* at about the same time. It seemed odd to discover from the Sunday newspapers that Osborne had knocked Rattigan off the stage because there was no place left for a well-made play with good manners. For Rattigan and the young Osborne had at least one thing in common: they were masters of their craft. We were astonished by the fickleness of the London critics.

With hindsight one can see that Rattigan's demotion had more to do with fashion than with his abilities as a writer. His characters were too upper middle class to have their emotions taken seriously. Such reverse snobbery is now, I hope, behind us.

The Deep Blue Sea gets even better with time. There is one particular scene which must bring a lump to the throat of all but the subhuman. It comes early on when Hester Collier has just tried to commit suicide by the gas fire and is faced with Sir William, the husband from whom she has estranged herself, now a QC. One particular line, too. They talk about the dinner parties they used to give in Eaton Square, and which are still given by Sir William. Hester comes back to her old social self to ask with genuine curiosity and affection: "Is David very pompous now he's Solicitor-General?" How anyone could have thought such dialogue is artificial is beyond me. Here is one of the most poignant scenes you will ever encounter.

Yet although this is the gem, *The Deep Blue Sea* is not a one-scene play. There is romance, wit, drama and even a touch of suspense all through. If you have never seen it before, ask yourself at the interval how you expect it to end. Probably you will guess right, but not with total confidence.

Hester is a complex part. She prefers physical passion to intellectual detachment and a comfortable social life, but she

knows what she has given up in leaving her husband for a young lover and is articulate enough to explain her motives. In Karl Reisz's production at the Almeida, she is played by Penelope Wilton. Whenever she is on stage, which save for one scene is practically all the time, it is impossible to take your eyes off her. Ms Wilton works by having magnificent poise: very still, very determined, none of the nervous twitches of a Hedda Gabler. She does nothing, even have an occasional spasm, without thinking. I doubt if Peggy Ashcroft, who first played the part in 1952, did it better.

Hester is nothing, however, without a man. She needs the best possible male supporting cast to go with her. In Nicholas Jones as her husband, she gets it. Jones is very tall, very suave, the epitome of the well-dressed, well-educated, well-off Englishman. Without Jones to play against, Ms Wilton's performance would not be nearly so effective.

The hardest part nowadays is that of Freddie, Hester's lover. Possibly this is where the play dates. He was a crack pilot in the RAF in 1940, a top test pilot just after the war, but clapped out by the time he was 25. The emotional impact of that is no longer what it was. If the play had been written slightly later, Hester might have fallen for a Jimmy Porter. Nevertheless, under Reisz's direction, Linus Roache does all that can be done with the material.

The other outstanding performance is by Wojtek Paszoniak as the East European doctor who has been struck off the medical register, presumably for what was then indecency. The play has a history of being really about Rattigan's own homosexual feelings. Paszoniak, as Freddie's male friend in a way to bring this out: he also saves Hester.

Yet watch Sandra Voe as Mrs Elton the landlady as well. This very English play has everything: class in all senses of the term.

Almeida Theatre until March 6. (071) 358 4404



Penelope Wilton and Linus Roache as Hester and Freddie

Local boy made good

Alannah Hopkin enjoys the Irish premiere of Billy Roche's trilogy in his home town, Wexford

WEXFORD will be associated by many with the annual opera festival, where the conviviality is every bit as memorable as the music. Last weekend an equally friendly but far more informal festival surrounded the Irish premiere of Billy Roche's Wexford Trilogy on the stage of the Theatre Royal before a mainly local audience.

Off season the Wexford welcome is as warm as ever, but there is no disguising the fact that the rambling Victorian seaport has problems. The young wander the streets at dusk, ghetto blasters blaring heavy metal, while a muted carillon rings out the Anglosax. "Bet Her!" is a hand-painted sign, while round the corner a chipped metal finger-post reads "Snooker". I ended up down at "The Undertaker's" - a bar owned by Eddie Macken's cousin. I was not only in Wexford to see Billy Roche's plays, I was living them out. It was very.

When it was known that the trilogy was on its way to the Abbey in Dublin, Jerome Hynes, Artistic Director of Wexford's Theatre Royal, saw the potential for a "community-based festival" celebrating Billy Roche's achievement. Wexford Corporation and the Arts Council immediately came up with the necessary subsidy. Hynes will not give any figures, but with tickets at £8 each and only one performance of each play it was presumably a significant amount.

The Abbey co-operated with transport. A book launch, a seminar, a civic reception and a brunch were added to the programme and the result was

ing them out. It was very.

The Billy Roche Weekend. The irony of Wexford mounting a festival to celebrate work which shows the town in an unflattering light was initially puzzling. The plays were commissioned by the Bush Theatre, and gained six awards on the London Fringe between 1989 and 1992. These productions came from the Bush with an excellent cast of mainly London-based Irish actors. They are playing in Dublin at the Abbey Theatre's small stage, The Peacock, until February 13.

The whole enterprise is representative of the close relationship between London theatre and Irish theatre, with Dublin productions transfer-

ring to London, and new plays by Irish playwrights being acclaimed in London before being seen at home.

On Friday the cast had not quite conquered the challenge of playing to a packed 550-seater as opposed to the 90-seater Bush, but there was no mistaking the warmth of the play's reception. Roche reported that Wexford audiences laughed in different places from London audiences; this is not surprising - the repartee is razor-sharp, and the idiosyncrasy is pure Wexford. When asked what he found so special about Wexford, Roche replied quite simply, "The way they speak to one another", and as far as his work is concerned he is right.

In a too-curling speech at the Civic Reception the County Manager linked the trilogy to job creation and tourist development. Those who saw the plays could have no doubts that they were not written to bolster the self-esteem of the local community; they are as much about the need to leave the place, and the sense of failure and entrapment that small town life can produce. Roche's relationship with his home town is a typical love-hate one. "I wrote in spite of the town, not because of it," he said, remembering that he got no encouragement when he left home to become an actor - "My father thought I'd be making my own dresses next."

It was good to see someone being so honoured in his lifetime, but it was also rather bizarre. The event ran the risk of going over the top, and only Roche's modesty and good humour saved it. Good as the trilogy is, at 43 he is only at the start of his career.

In a too-curling speech at the Civic Reception the County Manager linked the trilogy to job creation and tourist development. Those who saw the plays could have no doubts that they were not written to bolster the self-esteem of the local community; they are as much about the need to leave the place, and the sense of failure and entrapment that small town life can produce. Roche's relationship with his home town is a typical love-hate one. "I wrote in spite of the town, not because of it," he said, remembering that he got no encouragement when he left home to become an actor - "My father thought I'd be making my own dresses next."

Radio/B.A. Young Controller time

WE USUALLY have the Controller in their duty phone-line at this time of the year, though if they have important decisions to disclose this is hardly where we shall hear them. Radio 4 in *Call to Account* last Saturday gave no fresh news of the 24-hour news-coverage, but wise advice on hearing FM. Callers to Radio 3 on Sunday were so relentlessly talkative that the Controller could hardly get a word in. Radio 1's callers, also on Sunday, may have liked as I did the Controller's wisdom on promotion and presentation but mostly what they wanted was less chat and more variety. Radio 2, on Tuesday of last week relied on Brian Hayes, and I missed him. We still have to wait for Radio 5.

It was worth reviving Peter Buckman's dramatisation of Virginia Woolf's *Orlando* (Radio 4, Monday), but how much less exciting the story seems today than we thought in the 1930s. The adventures of Orlando, who lived from the 16th century to the 20th, changing from man to woman halfway through, was derived from the character of Vita Sackville-West. Presenting them by way of a narrator (Vivian Pickles) deprived them of some dramatic power. Jenny Stoller did well in the name part, though detectably a lady throughout. Penny Gold directed. We should now have Edna O'Brien's *Virginia*, about the same great ladies but more sympathetic.

Pickup, though, were touching enough as the liberally married pair, under Martin Jenkins's direction.

Woman's Hour is currently allowing Maureen Lipman to chat every day about her life. Anyone who has seen her in *Lost in Yonkers* or answering long-distance telephone-calls in television ads, will know something of Maureen Lipman's peculiar charm; but what is so special about her life? Precisely that it is like the lives of so many of us, and that in "When's It Coming Out?" she recounts it so delightfully. The series ends on the 18th, but

you can buy it on a BBC Radio Collection cassette and hear the lot.

I was unfair last week to label Craig Brown's and Myles Kingdon's new series "unpromising" after hearing only one day's worth of each. Having heard two more of both, I confirm my judgment. Brown's lines for veteran broadcaster "Wallace Arnold" in *Welcome to my Wireless* are quite bare of wit, and Harry Enfield's funny interviews the famous dead, this week Robinson Crusoe (next, Mona Lisa). The dodge is to ask about the matters they

are reputed for and find that they do not want to discuss them. Kingdon has an amusing manner, but his thrusts are often predictable.

I must also be unfair to Roger Graef's five-strong series, *Living Dangerously*, which began last Sunday. He interviews young criminals, and I can't tell if the next four will be as interesting as the first was. Bobby, his subject, came from a rough, broken family, lived in squalid homes, stole cars, thieved to buy "grass" (he needed about £30 a day), only burgled "rich" houses, carried a knife but never used it. After a course at Sherborne House under the Probation service, he thieved no more, has begun a computer course. It would at least be unfair not to draw attention to such things.

ART93
THE LONDON CONTEMPORARY ART FAIR
21-24 JANUARY 1993

THE BUSINESS DESIGN CENTRE
Upper Street • Edinburgh Green • London N1
Telephone: 071 354 2535

Opening Times: 21st-23rd Jan 11am-8pm
24th Jan 11am-6pm, 25th Jan 11am-5pm

PIANO AUCTION:
To be held at 12.00 noon on Monday
25th January 1993, viewing 2 days
prior and on Sunday afternoon 2-5pm.
Prices from £100-10,000.

Full details and catalogue from:
Phillips Baynes, 10 Salem Road,
London W2 4DL. Tel: 071 229 5090

ART GALLERIES

MARLBOROUGH FINE ART LTD
6 Albemarle Street, London W1. Paula
Rogo "Peter Pan and Oliver Twist".
30 January 1993. Mon-Fri 10am-5pm.
Sat 10am-12.30pm. Closed Bank Holidays.
Tel: 071 492-5151.

World of Drawings and Watercolours
Original works of art from the 16th century to the present day

20 • 24 January 1993
11am - 8pm (7pm last two days)

Lectures: 21 Jan 'Watercolours for the Modest Collector' Anthony Lester 2.30pm
The Watercolour Reconsidered Mary Anne Stevens in conjunction with
The Great Age Exhibition at the Royal Academy 6pm

Information and lecture tickets: 071 602 9933

Park Lane Hotel
Piccadilly
London W1

ARTS

National gift for water colours

William Packer admires the exhibition at the Royal Academy

PONT, that conspicuous ornament of pre-war Punter, got it just about right in his studies of "The British Character". There she sits, the little old lady Frenchly at work in the picturesque French town, her easel set up smack between the tramlines in the middle of the street while the awed populace, down to the cat and dog, looks on. Yes, we do pride ourselves as a nation on having, as his caption puts it, "The gift of water colours".

That we should thus fix upon what we also instinctively characterise as a minor form of the art of painting is a nice point. For, if this magnificent exhibition at the Academy does nothing else, it demonstrates for ever the absurdity of the distinction that would make oil on canvas inherently superior to water-colour on paper, simply because it is oil on canvas. We have only to look to Thomas Rowlandson, almost exclusively a water-colourist and draughtsman, to take the proof.

Yet he, one of our most particular and engaging artists, is oddly under-represented here. The question hangs in the air: would he, even now, be taken more seriously had he chosen to work principally in oil on canvas? John Frederick Lewis, the outstanding mid-Victorian water-colourist, whose Orientalist subjects such as "Life in the Harem" and "The Pipe-bearer" were the sensation of the 1850s, was later forced to switch to the more profitable oil, simply to make a living. Clearly the prejudice is nothing new.

Yet again, going through the show, it remains inescapable that few of the artists, the greatest among them especially, from Turner, Bonington and Constable to Whistler, were exclusive specialists. The truth is that painting of any kind is an extremely practical business and artists work in whichever medium is most appropriate, or simply available, to their immediate purpose. It may be more lasting and resilient, but oil paint is heavy and canvas cumbersome. The natural portability of water-colour, its flexibility of execution and speed of drying are obvious advantages, the more so in a time when to be a landscape painter was to be a traveller, and the British painter the most inveterate traveller of all.

That water-colour should also be as tricky and testing a medium as any, requiring at any level considerable sophistication of technique, is an irony quite lost in the enthusiasm of the amateur. In particular it requires a commitment and decision that may be as extreme as anything of Zen calligraphy and the formal conven-



'The Pipe-bearer' by John Frederick Lewis: oriental subjects were the sensation of the 1850s

tions of the Far Eastern landscape traditions. In the first period and introductory section - under the somewhat stuffy label of *The Structure of Landscape: 18th century Theory* - come Alexander Cozens and William Gilpin with their random blots in practice and their theories of the romantic and picturesque landscape. That they should actually achieve images of forest, lake and mountain so close in spirit to the idealised landscapes of the Chinese masters must have been a matter of intuitive sympathy, for the fact passes unremarked in the accompanying text.

Throughout there is more than enough of infinite charm to satisfy any more literal and descriptive taste, from the topographical studies of Paul Sandby, to the townscapes of Samuel Prout and Thomas Shotter Boys, to the undergrowth tracery of John Ruskin and the birds' nests of William Hunt. Even so, it is ever that technical engagement that, in its free-st and most abstracted expression, takes the breath away. Turner, greatest of the artists, supplies the thread that pulls the

show together through its several thematic sections, but he is also the best known and so not, for once, the star.

Rather it is David Cox on Rhyl Sands, or perhaps Thomas Girtin in the Rue St Denis, or John Middleton in a shady lane, or Linnell and Whistler with their grey seas and sailing boats, or Peter de Wint, or John Sell Cotman: *passim* whichever we are looking at, for its broad, radical simplicity of image, its expressive spread of paint, its swift, comprehending, comprehensive stroke.

And was this truly the golden age? No, but simply the better known and the more critically established. The inclusion of Whistler, with all it implies of what was to follow, begs the question. There is nothing for it but another and no less splendid show.

The Great Age of British Watercolours - 1750-1880: The Royal Academy, Piccadilly W1, until April 12: sponsored by Martini & Rossi Ltd

Comeback for Czech conductor

FOR MORE than 20 years, the Czech conductor Martin Turnovsky was cold-shouldered by artist agencies in the west. The Communist authorities in Czechoslovakia never forgave him for emigrating after the Soviet invasion in 1968, and put pressure on anyone who tried to engage him. As a result, he was unable to work in any of the world's major musical centres. Now 64, Turnovsky has begun to make up for lost time. The past year has seen him re-emerge as an inspirational force in Prague's opera and concert life, and this month he brings the Prague Symphony Orchestra on tour to Britain.

Turnovsky was one of the most talented Czech musicians of his generation, but by his own admission, he has had a stop-go career. The son of music-loving parents in Prague, he spent the final months of the war in a Nazi concentration camp. He won the Besançon conductors' com-

petition in 1958 - but Czechoslovakia's isolationist policy prevented him from travelling abroad for the next five years. He became music director in Dresden in 1966, but for most of the 1970s and 1980s was treated as a non-person in the Communist bloc.

Today he has none of the recording contracts or high media profile of the star conductor. What he can offer instead is long experience, a broad repertoire, human warmth and the ability to get results - qualities instantly recognised by the Prague Symphony Orchestra when Turnovsky returned to the Czech capital in 1991 after 21 years' exile. His concerts lifted morale and playing standards. Here were all the virtues of his generation, but by his own admission, he has had a stop-go career. The son of music-loving parents in Prague, he spent the final months of the war in a Nazi concentration camp. He won the Besançon conductors' com-

petition in 1958 - but Czechoslovakia's isolationist policy prevented him from travelling abroad for the next five years. He became music director in Dresden in 1966, but for most of the 1970s and 1980s was treated as a non-person in the Communist bloc.

Few were surprised when Turnovsky was appointed chief conductor last year.

Ironically, Turnovsky had received a similar offer in 1970. "For a while after 1968, the government was still quite liberal," he recalls. "I had resigned my post in Dresden in protest at East Germany's invasion with the Soviet invasion, but we could still travel. When I conducted at the 1970

Prague Spring Festival, I was asked to succeed Václav Smetáček [the Prague Symphony Orchestra's music director]. But by the time the atmosphere had changed, I realised it was our last chance to leave the country legally. It was a painful decision."

Turnovsky was denounced and given a prison sentence in his absence. He was dropped by international artist agencies, including Harold Holt in London, which were anxious to preserve their links with the Czech state concert agency - the source of a plentiful supply of cheap, high-quality musicians. "Everything was poisoned," he says.

He received a lifeline from George Szell, music director of the Cleveland Orchestra, who had befriended the Turnovsky family in Prague in the 1930s. His former teacher, Karel Ancerl, invited him to Toronto. Rafael Kubelík also helped. In 1975 he became music director of the Norwegian Opera Company in Oslo, and later moved to Bonn. His British opera debut came in 1988, when his *Ognet* with WNO was praised for its combination of passion and sensitivity. In recent years he has given a conducting class at the Musikhochschule in Graz and seen his sons prosper: one is principal bassoon of the Vienna Philharmonic, the other has a solo career as an oboist.

Since Turnovsky's return to Prague, he has conducted *Otello* at the Smetana Theatre (to be followed next month by

Un ballo in maschera) and started rebuilding the Prague Symphony Orchestra's audiences. The financial rewards of such a commitment are few - which is probably why so few emigré musicians have returned on an extended basis. Nor can he escape the problems of an orchestra which is still coming to terms with the limits of democracy and the need to generate more income.

But unlike the Czech Philharmonic, which is still divided over its appointment of a German, Gerd Albrecht, as music director, the Prague Symphony Orchestra knew its chief selling point was its Czech tradition. "They asked me to work with them, and if they think I can help, it's my duty," says Turnovsky. "The musicians realise they now live in a competitive world, so there's a special effort. The potential is great. Technically they're playing well, but I'm trying to get the strings to play with more heart and a wider dynamic range."

The programmes for the British tour were arranged before Turnovsky's appointment, and include the usual helping of Smetana and Dvořák, plus the two Brahms string concertos. Turnovsky would have liked to include a Martinů symphony, but is pleased at the amount of Janáček, Smetana and Dvořák, plus the two Brahms string concertos. Turnovsky would have liked to include a Martinů symphony, but is pleased at the amount of Janáček, Smetana and Dvořák, plus the two Brahms string concertos.

The Prague Symphony Orchestra's tour (January 21-29) opens in Dublin and continues to Eastbourne, Leeds, London, Newcastle, Huddersfield, Middlesbrough and Birmingham.

Chess No 957: 1 Rb1! Ra8! fR2 2 Qd6! 2 Ra1! wins.

The Bolshoy exposed

Clement Crisp on the difficulties of dancing at the Albert Hall

WATCHING the Bolshoy Ballet in the Albert Hall is an odd and slightly disorientating experience. There, exposed on a large and unflattering thrust stage, is one of the world's greatest dance companies - or two-thirds of it: this is not the full 250-strong ensemble - straining every muscle to tell us about the physical exhilaration of its way of moving. And there, brightly visible, is the BBC Concert Orchestra, playing excellently, and providing an alternative spectacle when - as during the infinitely tedious *Legend of Love* on Friday night - you have to look away from a horde of rhubarbing men dressed like Ali Baba and his forty chums. (Compliments to the two trumpeters who deal so feathery with Arif Melikov's Brummagem score.) And no less obviously there, the packed and encircling ranks of the audience, well illuminated by the light-spill from the stage. "What can they see so far round the side?" you wonder. Excellent views of head-gear and the zip-fastenings at the back of the costumes, I'd hazard, though Yuri Grigorovich has been a pains to spread his dances wide and open them out to as much of the public as possible.

And what do we actually see? As a Bolshoy devotee for four decades, and one

who has watched the company in many theatres, I recognise some of the qualities I love with the troupe. Grandeur of scale, certainly, and dedication to the idea of performance - nothing perfunctory, or time-serving in interpretation. On these terms, the suite from *Joan the Mad*, which opened Thursday's programme, was the best thing so far, and the one most "like" its original in the theatre. The sweeping crowd of boyars and guards, and the Tsar's full-throated hysteria, that make the fabric of the piece, were potent, and though Alexander Vetrov and Alla Mikhailchenko could not efface memories of earlier interpreters of Ivan and his beloved Anastasia, the fire of Grigorovich's theatrical vision blazed truly, and in Andrey Uvarov we saw a magnificent Kurbsky - and a magnificent young dancer.

But the irresistible sweep of a performance in the theatre, that marvellous sense in which we can be drawn into a production to the artistic cause of a ballet, is inevitably missing. *The Nutcracker* was a perfunctory batch of divertissements - and under proper conditions Grigorovich's staging is touching and magical - while the *Legend of Love* suite must surely have proved incomprehensible to an audi-

ence on dramatic terms. I have always thought it Grigorovich's weakest work - because ethnically quaint about Persia - and at the Albert Hall it looked as if far too many people were impersonating Wilson, Keppel and Betty in their convulsively sober sand-dance. It also lasted a thousand and one nights. Maybe more.

And as I suggested in earlier comment, the principals' performances are under-mixed by the lack of a proscenium arch to frame their interpretations, and are dwarfed by the spaces of the hall around them. (Extraordinary to write that about Bolshoy dancers whose artistry in the past has seemed to reach out of the theatre to touch the world.) Yet if the company has not yet shown us talents to rival those of recent seasons - Bessmertnova, Semenyakina, Ananishvili, Mukhamedov, Posokhov, Fadeychev - it remains the Bolshoy still, by force of dance presence and by the grand distinction of its manner. But it is also the Bolshoy in the market place, a victim of the need for hard currency, for bigger halls and bigger bucks. And that is bad news.

The Bolshoy Ballet continues at the Albert Hall until 14 February: programming varies nightly

Off the Wall/Antony Thorncroft

Time for a stronger Eros

SO ONCE again a damaged Eros has had to be replaced by a new one. This time it is the British art form - romantic, sensitive, and transient - and the RA's ravishing display from the golden age (see William Packer's review) should boost the World of Drawings and Watercolours which opens just along Piccadilly at the Park Lane Hotel on Wednesday.

This hardy annual among specialist fairs usually does well. In the past the bonus

is going to be boosted by a contribution from the Business Sponsorship Incentive Scheme, a Government funded honey-pot which totals £4.5m a year and is intended to offer matching money to first time sponsors. At the moment the maximum pay out under the BSIS is £25,000, but later this month it will be announced that this is to be raised to £50,000 from April 1.

This is serious money, and

national mood. Watercolours are the British art form - romantic, sensitive, and transient - and the RA's ravishing display from the golden age (see William Packer's review) should boost the World of Drawings and Watercolours which opens just along Piccadilly at the Park Lane Hotel on Wednesday.

This hardy annual among specialist fairs usually does well. In the past the bonus

Dealers are forsaking their expensive galleries to deal from home, using fairs as their shop windows through which to meet new customers

should give a lift to arts sponsorship which has, to date, ridden the recession well but which faces corporate cut backs in 1993. It is to be hoped that the stimulus will penetrate through to the fund raising office at the Royal Opera House, Covent Garden, which holds the distinction that it has not managed to secure a penny from the BSIS in the last four years.

Covent Garden has been able to hold on to most of its corporate members, but this season not one new production has attracted a commercial sponsor. Companies today are much more interested in getting a measurable return from their sponsorship money, or spreading it into education and local initiatives. The big, black tie, £100,000 plus spectacular is currently out of fashion, but other national arts companies, notably the BNO and the National Theatre, still manage to find sponsors for most of their new productions.

London is awash with watercolours, which should suit the

from Lloyds of London was often invested in another watercolour for the drawing room. Little chance of that this year, but traditional buyers from the shires, lured to London by the RA exhibition, will be tempted to buy from the 50 dealers. The fact that prices begin at £50, and are no higher than last year, should help business.

The Fair has succeeded in extending the range out from just jolly hollyhock rural views. Gothic Dream will be showing Victorian and Surrealist drawings while Kate de Rothschild offers Renaissance drawings among all the Sandys, Cozens, de Wints and Girtins.

In vivid contrast another regular fair opens next week, Art 93 at the Business Design Centre, Islington, which is now the only annual concentration of contemporary art in London. It

is no competitor to the mammoth fairs held at Basle, Madrid and Chicago, but top dealers like Waddington, Gillian Jason, and Angela Flowers are showing their big names, and Anneli Juda has been tempted in for the first time.

It is making something of a splash, erecting a monumental sculpture by Anthony Caro, priced at up to \$200,000, on the green in front of the Centre. Just as striking should be the 11 works commissioned by pop star and major collector, Peter Gabriel. Gabriel chose the artists, sent them tracks from his new album, *Us*, and waited for inspiration to hit them. The much admired Andy Goldsworthy only received the lyrics of a song in a fax, but went out and moulded a nest of twigs and branches in a dusty hollow created by the drought near his Scottish home. He then watched as the rains came and washed away his creation, but the photograph is now in the Gabriel collection.

Antique dealers always say how much they dislike fairs and that there are too many of them. But anything is better than sitting in an empty shop waiting for the recession to end and every day sees the announcement of another big new one. More and more dealers are forsaking their expensive galleries to deal from home, using fairs as their shop windows through which to meet new customers and catch up on trade talk. Wolfgang Fischer, Vanessa Devereux, Anne Berthoud, David Hughes and Mark Glazebrook are just some leading dealers who have chosen this route.

The Official London Theatre Guide

Compiled by the Society of West End Theatres

ADOLPH, Strand, Personal connections from Jan 18 Surreal Boulevard from July 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000
ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000	ALFRED, Shaftesbury Avenue, From 19th Jan 1993 Tel: 020 7492 1000		

TELEVISION

SATURDAY

BBC1

7.30 Champion the Wonder Horse. 7.35 News. 7.50 Henry's Cat. 7.55 Wile Bang. 7.58 Lili. 8.00 Eggs 'n' Baker. 8.35 Tom and Jerry: Great Hit. 8.50 Golly Live.

12.12 News.

12.15 Grandstand. Introduced by Steve Rider. Including 12.15 Football: Bob Wilson and Gary Lineker reflect on the week's soccer action and look ahead to this weekend's FA Premier League matches. 12.45 Racing from Ascot: The 12.50 Philip Morris Novices Handicap. 1.00 News. 1.05 Rugby Union: Preview of this afternoon's clash between England and France at Twickenham, and Scotland v Ireland at Murrayfield. 1.20 Rugby: The 1.25 Grosvenor Insurance Handicap Chase. 1.35 Rugby Union: Preview of Scotland v Ireland. 1.35 Racing: The 2.00 Victor Chandler Handicap Chase. 2.10 Rugby Union: Live coverage of England v France from Twickenham. 4.40 Final Score. Times may vary.

5.15 News and Weather.

5.25 Regional News and Sport.

5.30 Dad's Army.

6.00 That's Showbusiness.

6.30 Noel's House Party.

7.25 The Paul Daniels Magic Show.

8.15 Casualty.

9.05 News and Sport: Weather.

9.25 Film: Parenthood. Steve Martin heads the all-star cast of this comedy which follows three generations of fathers and sons, all trying to come to terms with each other. Also starring Mary Steenburgen, Rick Moranis, Keanu Reeves, Tom Hanks and Jason Roberts (1989).

11.25 Match of the Day. Desmond Lynam introduces highlights from two of the day's top FA Premier League fixtures and goals from the rest of this afternoon's matches.

12.25 Film: Phantom of the Opera. Jack Cassidy stars in this horror romp about a masked monster who goes on a rampage against those planning to sell a film studio (1974).

1.35 Weather.

1.40 Close.

BBC2

8.30 Open University. 8.35 Film: The South-amer. 10.35 James Johnston Amongst the Giants. 11.15 The Strange Affair of - The Pied Piper. 11.45 Donovan the Diviner. 12.15 pm Film: Show Business.

1.45 Animation Now. Living Colours. A National Film Board of Canada production.

1.50 Network East. With Mousaiebs Shamlee. Labour MP for County Clare in Ireland, and Southall-born Harwant Balne, whose first feature film Wild West won the Critics' Award at last year's Edinburgh Festival.

2.20 Tanhayan. Zara buys back her parents' house (English subtitles).

3.00 Film: Lady L. Sophia Loren and Paul Newman star (1955).

4.45 The Sky at Night. With Patrick Moore.

5.05 Figure Skating. Coverage of the free dance in the European Championships from Helsinki ice arena.

6.00 Scrutiny. The work of Parliament's Select Committees.

6.30 Crufts 1993.

7.15 Sounds of the Seventies. New series. Vintage rock, pop and soul performances from the BBC archives, featuring T. Rex, Slade, Gary Glitter, Mott the Hoople and Donny Diamond.

7.50 Fine Cut. New series. Return of the feature-length documentaries by acclaimed director, beginning with a look at the silent world of the deaf. The film follows children and adults in their frustrating attempts to deal with the world of hearing.

8.25 The Juliet Letters. The story of singer-songwriter Elvis Costello's collaboration with classical musicians The Brodsky Quartet, which resulted in The Juliet Letters, a song-cycle for voice and string quartet. The film features live performances and interviews with Costello and members of the quartet.

10.20 Moving Pictures. Profile of Robert Evans who began his career as an actor and then went on to produce the 1970s film Chinatown, The Great Gatsby, and Marathon Man. Plus, Scottish actor-turned-writer Peter Capaldi on his new road movie.

11.10 Film: Marathon Man. Dustin Hoffman stars in this thriller with Laurence Olivier and Roy Scheider (1976).

1.15 Close.

LWT

8.00 GMTV. 9.25 What's Up Doc? 11.30 Movies. Movies. Movies. 12.00 The ITV Chart Show. 1.00 ITN News: Weather.

1.05 London Today: Weather.

1.15 Metlock.

2.05 Hard Time on Planet Earth.

3.00 The A-Team.

3.55 WCW Worldwide Wrestling.

4.40 ITN News and Results: Weather.

5.00 London Tonight and Sport: Weather.

5.15 Baywatch.

6.10 Blind Date. New series.

7.10 Barrymore. New series. Michael Barrymore discovers the hidden talent among the public, and encourages guests from all walks of life to express their abilities in a variety of humorous ways.

7.55 Film: The Karate Kid III. Ralph Macchio as the teenage martial arts expert finds a new trainer - who turns out to be in league with an old foe. Premiere of this action adventure, also starring Pat Morita and Martin Kove (1989).

9.55 Trouble with the Ladies. Michael Appel returns to the decade when hair grew long, skirts grew short, kinky boots came in and hippies dropped out.

11.10 ITN News: Weather.

11.25 London Tonight.

11.30 Film: Angel Heart. Mickey Rourke stars as a tough New York private investigator who descends into Hell in pursuit of a missing jazz band singer. Robert De Niro co-stars as Rourke's mysterious client in Alan Parker's mix of action and the supernatural. Also starring Lisa Bonet and Charlotte Rampling (1987).

1.25 The Big E. Fashion, cuisine and entertainment throughout Europe.

2.55 Get Stuffed. ITN News Headlines.

2.55 New Music. Investigating the use of violence in pop lyrics and videos, followed by Rock Sport and ITN News Headlines.

3.55 Coach.

4.20 BFM Night Shift.

CHANNEL4

6.00 Early Morning. 10.00 Trans World Sport. 10.00 Gazza's Football Italia. 12.00 American Football: Play Action. 12.30 pm Songs and Memories.

1.00 Victory Through Air Power. Two wartime Disney movies.

2.30 Film: Objective, Burma! World War Two derring-do with Errol Flynn (1945).

5.05 Brookside. Omnibus edition.

6.30 Right to Reply. A look behind the scenes at BBC TV's "Good Morning" - with Anne and Nick. Studio discussion about the date rape in "Brookside".

7.00 A Week in Politics. A report on a new method of opinion polling which may eliminate the sort of errors experienced in the last general election. Also this week's rail privatisation debate.

8.00 After Desert Storm. A timely re-run of the Equinox documentary investigating the technology of destruction developed during the 1991 Gulf War.

9.00 Stephen King's Golden Years. Thriller of the six-part thriller by the maestro of horror.

10.00 Saturday Zoo. New series. With Jonathan Ross and co-host Joanna Lumley.

11.00 Ready Steady Go! The Beatles, The Hollies, and Martha and the Vandellas are among those providing the music.

11.35 Adult Oprah. The chat show queen interviews sex-starved wives whose husbands would rather do anything than make love. Guest is psychologist Janet Wolfe, author of What to Do When He Has a Headache.

12.30 Film: The Twelve Chairs. Starring Ron Moody as a down-at-heel Russian aristocrat who's hunting one dining chair (in a set of 12) that has a fortune of jewels sewn into it. With Mel Brooks, Dom DeLuise and Frank Langella (1970).

2.10 The World. Last night's programme presented by Terry Christian.

3.10 Close.

REGIONS

ITV REGIONS AS LONDON EXCEPT AT THE FOLLOWING TIMES:-

ANGLIA

1.05 Anglia News. 1.10 WCW Worldwide Wrestling. 2.00 The A-Team. 2.05 Father Brown. 2.10 News. 2.15 Anglia News and Sport.

BORDER

1.05 Border News. 1.10 Kick Off. 1.30 Fire Over Rome. 1.35 Border News. 1.40 Border News.

CENTRAL

1.05 Central News. 1.10 Bon Voyage. 1.15 Central News. 1.20 Central News. 1.25 Central News.

CHANNEL

1.05 Channel News. 1.10 The A-Team. 1.15 Channel News. 1.20 Channel News. 1.25 Channel News.

GRAMPAN

1.05 Bill Duncan's Magic Box. 1.05 Grampian Headlines. 1.10 The Munsters Today. 1.40 Speaking Our Language. 2.15 Police News. 2.20 Movies. 2.30 The Beat and the Best. 2.35 Grampian Headlines. 2.40 Grampian News. 2.45 Grampian News.

GRANDRA

1.05 Grand News. 1.10 Kick Off. 1.30 Fire Over Rome. 1.35 Grand News. 1.40 Grand News.

HVS

1.05 HVS News. 1.10 McCloud. The Stage is All the World. 2.10 Kick Off. 2.15 Lost in London. (TVN 1989) 4.25 Cartoon Time. 5.00 HVS News and Sport. 11.25 HVS Weather.

MERIDIAN

1.05 Meridian News. 1.10 The A-Team. 1.15 Meridian News. 1.20 Meridian News. 1.25 Meridian News.

SCOTLAND

1.05 Scotland Today. 1.10 Laverne and Shirley. 1.15 Scotland News. 1.20 Scotland News. 1.25 Scotland News.

SCOTTS

1.05 Scott's News. 1.10 Scott's News. 1.15 Scott's News. 1.20 Scott's News. 1.25 Scott's News.

TYNE

1.05 Tyne News. 1.10 The A-Team. 1.15 Tyne News. 1.20 Tyne News. 1.25 Tyne News.

ULSTER

1.05 Ulster News. 1.10 Ulster News. 1.15 Ulster News. 1.20 Ulster News. 1.25 Ulster News.

WESTCOUNTRY

1.05 Westcountry News. 1.10 The A-Team. 1.15 Westcountry News. 1.20 Westcountry News. 1.25 Westcountry News.

WILTSHIRE

1.05 Wiltshire News. 1.10 The A-Team. 1.15 Wiltshire News. 1.20 Wiltshire News. 1.25 Wiltshire News.

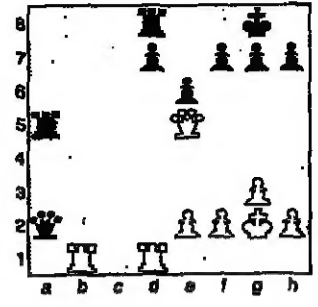
YORKSHIRE

1.05 Yorkshire News. 1.10 The A-Team. 1.15 Yorkshire News. 1.20 Yorkshire News. 1.25 Yorkshire News.

CHESS

JUDIT POLGAR, the 16-year-old Hungarian prodigy, set two fresh landmarks for a woman chess player this week when she tied for the £4,000 first prize at Hastings with the world no 7 Evgeny Bareev, and beat him in both their games. Bareev may not be a household name but he is a solid top ten performer who won Hastings 1991 and 1992 convincingly, and joins Salo Flohr (1981-4) and Ulf Andersson (1978-80) who also won three Premiers in a row.

Polgar is already a legend. The youngest ever grandmaster even has Bobby Fischer running scared from their projected match, and her creative style evokes Fischer's own youth (J Polgar, Hungary, White; E Bareev, Russia, Black; Hastings 1992-3). 1 e4 e5 2 d4 d5 3 Nc3 Nf6 4 Bg5 dxe4 5 Nxe4 Nbd7 The Burn variation, a solid choice when Black, as here, needs only a draw. 6 Nf3 h6 7 Nxf6+ Nxf6 8 Be3 Bd6 Be7 is better. 9 Qd3 b6 10 Ne5 Bb7 11 Qb5+! A subtle check which diverts Black's knight from king defence. Naf7 12 e4-e5 as 13 Qb5 b5 14 e4-e5 15 f4 Bc4 Black has to meet c5-c6, a threat set



C Crouch v J Speelman, Hastings 1992-3. Play went 1 Rxd7 Rb8 (not Rxd7? 2 Qb8+) 2 Rb2 Rxb5 3 Rxd7. What did the masters miss?

Leonard Barden
Solution Page XVI

BRIDGE

IN TODAY'S hand from rubber West's ace. The club queen was ruffed in hand, and the diamond king was led. If West ruffs, the declarer has no problems, for declarer will over-ruff with dummy's queen, draw the trumps, and claim his little slam. West, however, shrewdly discarded spades on the diamond winners. Declarer was able to throw three spades from dummy. This left a five-card end-position. West held four hearts and the club queen, dummy had ace of spades, queen and five of hearts, and two clubs, while declarer held two spades and his three heart bonuses. South led a spade, and West ruffed to defeat the contract.

The declarer was quite right in setting up diamonds in order to counter West's ruffing tactics, but he missed the right timing. Before he tackles diamonds, it is essential to cash one spade. Now the defence cannot beat the contract. West will throw spades as before on the diamonds, but in the four-card ending, dummy will have no spade. Declarer ruffs his spade with dummy's heart queen, and claims his contract.

E P C Cotter

South dealt with neither side vulnerable and opened the bidding with one heart, North replied with one spade, and South rebid three diamonds. With a fit for both his partner's suits, North felt that a mere raise to four hearts would be cowardly. He said five hearts - an intelligent reply in my opinion - and South's six hearts concluded the auction.

West opened with the club king, taken by the ace, and the declarer cashed the ace of hearts, revealing the cruel break in trumps. A low diamond ran to the queen, and a second diamond was taken by

West's ace. The club queen was ruffed in hand, and the diamond king was led. If West ruffs, the declarer has no problems, for declarer will over-ruff with dummy's queen, draw the trumps, and claim his little slam. West, however, shrewdly discarded spades on the diamond winners. Declarer was able to throw three spades from dummy. This left a five-card end-position. West held four hearts and the club queen, dummy had ace of spades, queen and five of hearts, and two clubs, while declarer held two spades and his three heart bonuses. South led a spade, and West ruffed to defeat the contract.

The declarer was quite right in setting up diamonds in order to counter West's ruffing tactics, but he missed the right timing. Before he tackles diamonds, it is essential to cash one spade. Now the defence cannot beat the contract. West will throw spades as before on the diamonds, but in the four-card ending, dummy will have no spade. Declarer ruffs his spade with dummy's heart queen, and claims his contract.

West opened with the club king, taken by the ace, and the declarer cashed the ace of hearts, revealing the cruel break in trumps. A low diamond ran to the queen, and a second diamond was taken by

West's ace. The club queen was ruffed in hand, and the diamond king was led. If West ruffs, the declarer has no problems, for declarer will over-ruff with dummy's queen, draw the trumps, and claim his little slam. West, however, shrewdly discarded spades on the diamond winners. Declarer was able to throw three spades from dummy. This left a five-card end-position. West held four hearts and the club queen, dummy had ace of spades, queen and five of hearts, and two clubs, while declarer held two spades and his three heart bonuses. South led a spade, and West ruffed to defeat the contract.

The declarer was quite right in setting up diamonds in order to counter West's ruffing tactics, but he missed the right timing. Before he tackles diamonds, it is essential to cash one spade. Now the defence cannot beat the contract. West will throw spades as before on the diamonds, but in the four-card ending, dummy will have no spade. Declarer ruffs his spade with dummy's heart queen, and claims his contract.

West opened with the club king, taken by the ace, and the declarer cashed the ace of hearts, revealing the cruel break in trumps. A low diamond ran to the queen, and a second diamond was taken by

West's ace. The club queen was ruffed in hand, and the diamond king was led. If West ruffs, the declarer has no problems, for declarer will over-ruff with dummy's queen, draw the trumps, and claim his little slam. West, however, shrewdly discarded spades on the diamond winners. Declarer was able to throw three spades from dummy. This left a five-card end-position. West held four hearts and the club queen, dummy had ace of spades, queen and five of hearts, and two clubs, while declarer held two spades and his three heart bonuses. South led a spade, and West ruffed to defeat the contract.

The declarer was quite right in setting up diamonds in order to counter West's ruffing tactics, but he missed the right timing. Before he tackles diamonds, it is essential to cash one spade. Now the defence cannot beat the contract. West will throw spades as before on the diamonds, but in the four-card ending, dummy will have no spade. Declarer ruffs his spade with dummy's heart queen, and claims his contract.

West opened with the club king, taken by the ace, and the declarer cashed the ace of hearts, revealing the cruel break in trumps. A low diamond ran to the queen, and a second diamond was taken by

West's ace. The club queen was ruffed in hand, and the diamond king was led. If West ruffs, the declarer has no problems, for declarer will over-ruff with dummy's queen, draw the trumps, and claim his little slam. West, however, shrewdly discarded spades on the diamond winners. Declarer was able to throw three spades from dummy. This left a five-card end-position. West held four hearts and the club queen, dummy had ace of spades, queen and five of hearts, and two clubs, while declarer held two spades and his three heart bonuses. South led a spade, and West ruffed to defeat the contract.

The declarer was quite right in setting up diamonds in order to counter West's ruffing tactics, but he missed the right timing. Before he tackles diamonds, it is essential to cash one spade. Now the defence cannot beat the contract. West will throw spades as before on the diamonds, but in the four-card ending, dummy will have no spade. Declarer ruffs his spade with dummy's heart queen, and claims his contract.

West opened with the club king, taken by the ace, and the declarer cashed the ace of hearts, revealing the cruel break in trumps. A low diamond ran to the queen, and a second diamond was taken by

West's ace. The club queen was ruffed in hand, and the diamond king was led. If West ruffs, the declarer has no problems, for declarer will over-ruff with dummy's queen, draw the trumps, and claim his little slam. West, however, shrewdly discarded spades on the diamond winners. Declarer was able to throw three spades from dummy. This left a five-card end-position. West held four hearts and the club queen, dummy had ace of spades, queen and five of hearts, and two clubs, while declarer held two spades and his three heart bonuses. South led a spade, and West ruffed to defeat the contract.

The declarer was quite right in setting up diamonds in order to counter West's ruffing tactics, but he missed the right timing. Before he tackles diamonds, it is essential to cash one spade. Now the defence cannot beat the contract. West will throw spades as before on the diamonds, but in the four-card ending, dummy will have no spade. Declarer ruffs his spade with dummy's heart queen, and claims his contract.

West opened with the club king, taken by the ace, and the declarer cashed the ace of hearts, revealing the cruel break in trumps. A low diamond ran to the queen, and a second diamond was taken by

West's ace. The club queen was ruffed in hand, and the diamond king was led. If West ruffs, the declarer has no problems, for declarer will over-ruff with dummy's queen, draw the trumps, and claim his little slam. West, however, shrewdly discarded spades on the diamond winners. Declarer was able to throw three spades from dummy. This left a five-card end-position. West held four hearts and the club queen, dummy had ace of spades, queen and five of hearts, and two clubs, while declarer held two spades and his three heart bonuses. South led a spade, and West ruffed to defeat the contract.

The declarer was quite right in setting up diamonds in order to counter West's ruffing tactics, but he missed the right timing. Before he tackles diamonds, it is essential to cash one spade. Now the defence cannot beat the contract. West will throw spades as before on the diamonds, but in the four-card ending, dummy will have no spade. Declarer ruffs his spade with dummy's heart queen, and claims his contract.

West opened with the club king, taken by the ace, and the declarer cashed the ace of hearts, revealing the cruel break in trumps. A low diamond ran to the queen, and a second diamond was taken by

West's ace. The club queen was ruffed in hand, and the diamond king was led. If West ruffs, the declarer has no problems, for declarer will over-ruff with dummy's queen, draw the trumps, and claim his little slam. West, however, shrewdly discarded spades on the diamond winners. Declarer was able to throw three spades from dummy. This left a five-card end-position. West held four hearts and the club queen, dummy had ace of spades, queen and five of hearts, and two clubs, while declarer held two spades and his three heart bonuses. South led a spade, and West ruffed to defeat the contract.

The declarer was quite right in setting up diamonds in order to counter West's ruffing tactics, but he missed the right timing. Before he tackles diamonds, it is essential to cash one spade. Now the defence cannot beat the contract. West will throw spades as before on the diamonds, but in the four-card ending, dummy will have no spade. Declarer ruffs his spade with dummy's heart queen, and claims his contract.

West opened with the club king, taken by the ace, and the declarer cashed the ace of hearts, revealing the cruel break in trumps. A low diamond ran to the queen, and a second diamond was taken by

West's ace. The club queen was ruffed in hand, and the diamond king was led. If West ruffs, the declarer has no problems, for declarer will over-ruff with dummy's queen, draw the trumps, and claim his little slam. West, however, shrewdly discarded spades on the diamond winners. Declarer was able to throw three spades from dummy. This left a five-card end-position. West held four hearts and the club queen, dummy had ace of spades, queen and five of hearts, and two clubs, while declarer held two spades and his three heart bonuses. South led a spade, and West ruffed to defeat the contract.

The declarer was quite right in setting up diamonds in order to counter West's ruffing tactics, but he missed the right timing. Before he tackles diamonds, it is essential to cash one spade. Now the defence cannot beat the contract. West will throw spades as before on the diamonds, but in the four-card ending, dummy will have no spade. Declarer ruffs his spade with dummy's heart queen, and claims his contract.

SUNDAY

BBC1

7.25 High Chaparral. 8.15 Breakfast with Frost. 8.15 The Good Book Guide. 8.30 This is the Day. 10.00 See Hear. 10.30 The 10.30 News. 10.35 The 10.30 News. 10.40 The 10.30 News. 10.45 The 10.30 News. 10.50 The 10.30 News. 10.55 The 10.30 News. 11.00 The 10.30 News. 11.05 The 10.30 News. 11.10 The 10.30 News. 11.15 The 10.30 News. 11.20 The 10.30 News. 11.25 The 10.30 News. 11.30 The 10.30 News. 11.35 The 10.30 News. 11.40 The 10.30 News. 11.45 The 10.30 News. 11.50 The 10.30 News. 11.55 The 10.30 News. 12.00 The 10.30 News. 12.05 The 10.30 News. 12.10 The 10.30 News. 12.15 The 10.30 News. 12.20 The 10.30 News. 12.25 The 10.30 News. 12.30 The 10.30 News. 12.35 The 10.30 News. 12.40 The 10.30 News. 12.45 The 10.30 News. 12.50 The 10.30 News. 12.55 The 10.30 News. 1.00 The 10.30 News. 1.05 The 10.30 News. 1.10 The 10.30 News. 1.15 The 10.30 News. 1.20 The 10.30 News. 1.25 The 10.30 News. 1.30 The 10.30 News. 1.35 The 10.30 News. 1.40 The 10.30 News. 1.45 The 10.30 News. 1.50 The 10.30 News. 1.55 The 10.30 News. 2.00 The 10.30 News. 2.05 The 10.30 News. 2.10 The 10.30 News. 2.15 The 10.30 News. 2.20 The 10.30 News. 2.25 The 10.30 News. 2.30 The 10.30 News. 2.35 The 10.30 News. 2.40 The 10.30 News. 2.45 The 10.30 News. 2.50 The 10.30 News. 2.55 The 10.30 News. 3.00 The 10.30 News. 3.05 The 10.30 News. 3.10 The 10.30 News. 3.15 The 10.30 News. 3.20 The 10.30 News. 3.25 The 10.30 News. 3.30 The 10.30 News. 3.35 The 10.30 News. 3.40 The 10.30 News. 3.45 The 10.30 News. 3.50 The 10.30 News. 3.55 The 10.30 News. 4.00 The 10.30 News. 4.05 The 10.30 News. 4.10 The 10.30 News. 4.15 The 10.30 News. 4.20 The 10.30 News. 4.25 The 10.30 News. 4.30 The 10.30 News. 4.35 The 10.30 News. 4.40 The 10.30 News. 4.45 The 10.30 News. 4.50 The 10.30 News. 4.55 The 10.30 News. 5.00 The 10.30 News. 5.05 The 10.30 News. 5.10 The 10.30 News. 5.15 The 10.30 News. 5.20 The 10.30 News. 5.25 The 10.30 News. 5.30 The 10.30 News. 5.35 The 10.30 News. 5.40 The 10.30 News. 5.45 The 10.30 News. 5.50 The 10.30 News. 5.55 The 10.30 News. 6.00 The 10.30 News. 6.05 The 10.30 News. 6.10 The 10.30 News. 6.15 The 10.30 News. 6.20 The 10.30 News. 6.25 The 10.30 News. 6.30 The 10.30 News. 6.35 The 10.30 News. 6.40 The 10.30 News. 6.45 The 10.30 News. 6.50 The 10.30 News. 6.55 The 10.30 News. 7.00 The 10.30 News. 7.05 The 10.30 News. 7.10 The 10.30 News. 7.15 The 10.30 News. 7.20 The 10.30 News. 7.25 The 10.30 News. 7.30 The 10.30 News. 7.35 The 10.30 News. 7.40 The 10.30 News. 7.45 The 10.30 News. 7.50 The 10.30 News. 7.55 The 10.30 News. 8.00 The 10.30 News. 8.05 The 10.30 News. 8.10 The 10.30 News. 8.15 The 10.30 News

Private View/Christian Tyler

Why every new baby matters

Dr Norman Myers believes that population is still the most important issue

THE FAMINES are returning, and so are the population experts to scare us with their sums. But if their projections are even half correct, why do we pay so little heed to them?

My consultants told me to go and see Norman Myers. Dr Myers is no two-bit Jeremiah: he advises governments and institutions such as the World Bank, the OECD, United Nations and European Commission. He is not afraid of upsetting politically correct Greens by proposing market solutions. But even he resorts to the occasional shocker.

"In terms of the amount it consumes and pollutes, the average British family has not two children but more like 30 or 35," he said.

So it's at the expense of others that we live?

"Yes. And that applies to all the other developed nations."

Are you saying that a British or American baby is stealing from, say, a Bangladeshi baby?

"I wouldn't quite use that term. I would say our increasing population and affluence — dependent on artificially cheap fossil fuels — are bringing on global warming which could mean Bangladesh losing as much as one fifth of its territory within a lifetime."

"That's the equivalent of Britain losing all land south of London and Bristol. We would be very indignant if that was caused by people round the back of the world who'd been over-indulging."

I'm impressed, I said, but what are we supposed to do? To be fair to the Bangladeshis we'd have to go back to eating ground-nuts and living in tents.

"No, no. An acceptable level of affluence would be something akin to what we had in 1970."

How many fewer children should we have?

Myers paused. "Well, I'd hesitate to offer an estimate because it's a complicated calculation: I'm hedging, of course. The optimum population for Britain, sustainable in a global context, would be a good deal less than what we have now unless we're prepared to get into a much more streamlined economy with far less waste and more efficient modes of production."

Isn't there a more compelling argument for us to reproduce less, apart, that is, from wanting the cash for more consumption?

"Suppose the trade-off was more vacations in the Caribbean or learning to ski."

I might do that, I said.

"Had you ever thought explicitly of that trade-off?"

Not personally, I said. But I'm sure people do, which is why they have only 1.7 kids, or whatever it is. But if we've got to bring it down to 1.1, isn't it going to be a bit of a problem?

"Yes," he admitted. "It would be a very big problem."

Norman Myers was not born an eco-break. It was somehow reassuring to learn that this modest marathon-runner read French and German at Oxford and worked as a district officer in the colonial service in up-country Kenya before that country's looming population explosion turned him to planetary economics.

He travelled the world, took a PhD at Berkeley and worked with UN agencies before concluding that he had no time for "corridor politics", and set out as a freelance consultant.

Why do people and politicians continue to ignore the sums you and others put in front of them? I asked him.

"In many countries, such as sub-Saharan Africa, it's a culturally taboo subject and politicians don't want to upset the electorate. In Latin America they say the place is underpopulated because there is so much space. Some countries believe large populations mean political power and economic strength. They quote the US, Russia and Japan. They ignore the example of Israel, say, or the Netherlands."

I suggested population doomsters such as Paul Ehrlich and the Club of Rome had spiked their own guns by exaggeration. Myers countered that since Ehrlich's 1968 prediction of massive famine, 250m people had died of starvation, though not, admittedly, all in one place. Technology had only postponed the problem. For three decades to 1984 the plough had kept ahead of the stork, but since then there had been eight lean years in which food production had failed to keep pace. The Club of Rome report in the 1970s had been premature, he admitted, and had ignored some important feedback loops (e.g. prices) but its latest report was more sophisticated.

Why isn't the US taking a lead?

"Because American political leaders won't lead. They're too bound up with their next election. They think that doubling the tax on gasoline to bring it more into line with European rates would be unacceptable. In real terms Americans were paying two and half dollars a gallon in 1961. They shouldn't scream if they are asked to pay double the present price of \$1.35."

But all politicians were at fault in refusing to recognise that raising fossil-fuel efficiency to match, say, the Japanese would be very good for their economies.

How can you say Britain is overpopulated? I asked him. There is no starvation. The rivers may be a bit low and the beaches a bit dirty, but we live very comfortably.

"But we depend on a shadow ecology, as I call it, which is five times the size of Britain and on which we depend for some 40 per cent of our food."

He conceded that effective population control could take several generations after millennia of carefree breeding.

"Governments are reluctant to intervene beyond the bedroom door. And yet we accept a minimum age for sexual intercourse, for getting married. We plan every aspect of our economies except the number of consumers."

But aren't there moral limitations? Are Catholics who accept the Vatican line on birth control to be coerced?

"No, not at all. But they are such a tiny minority now. Anyway the European country with the lowest fertility rate is Italy and the part of Italy with the lowest fertility rate is Rome."

Surely you mean the Vatican City?

"I should hope so," Myers laughed.

What about the Moslems?

"The Koran says various forms of contraception are legitimate. The real problem is women in purdah. Only about 5 per cent have been to primary school, their social standing is low and they can't stand up to their husbands."

You have said zero population growth could be achieved in Britain by the "simple expedient" of preventing all unwanted births.

"It's simple but not easy. It's a matter of education. After a Saturday night out and a couple of pints, anything can happen. That sounds awfully patronising but there are a lot of people who end up with unwanted pregnancies."



Baby Watch: Dr Myers argues that population growth must be curtailed

Tony Andrews

There should be financial disincentives for having more than two children. "If you have three and impose a lot of spillover costs on society then I'd devise ways to make you pay those costs." Myers referred approvingly to one economist's proposal that everybody should be given a single "child voucher" at birth. Couples could have their two children or sell their vouchers to someone else.

Enforcement could be tricky, I said.

"Exceedingly."

The world population is over 5bn. In 100 years' time it could be as high as 14½bn or as low as 8bn. "There's a lot to play for," said Myers. "I say we should go for the lower figure. Either we choose to do it or nature will do it for us — and nature will not do it discriminately at all."

Surely, it will discriminate against the poorest. People like you and I will be as comfortable as ever.

"I don't think so. Because one of the predominant phenomena of the next few decades, I believe, will be mass migration from developing to developed countries. What we have now in Europe is peanuts compared with what lies ahead. The social tensions we have seen in Germany and France already are nothing to what is to come."

Global warming could give Britain an arid Mediterranean landscape. In such a world — "a world in uproar and full of gunsmoke" — Britain simply could not trade. There could be 300m or 500m refugees battering on the doors of the rich nations. "We win with the Third World or we shall lose with them," Myers said.

Yet it would cost only some \$40bn a year to make agriculture in the Third World environmentally sustainable — which is what rich nations already spend on slimming aids. To meet demand for contraception would cost taxpayers in the North a penny a week.

"It needn't cost the earth to save the

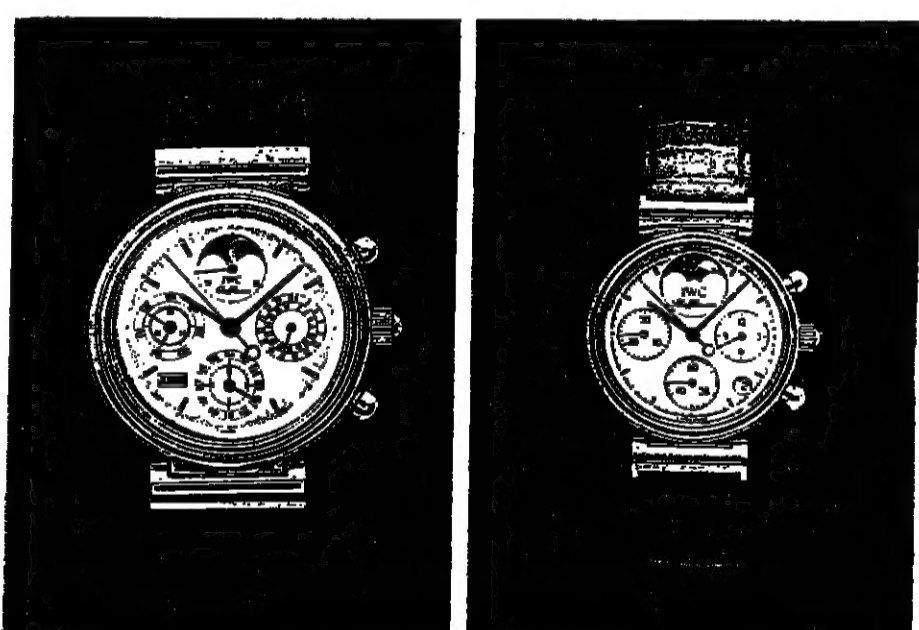
earth and it would give a much better return in the long run than anything available on the London stock exchange."

How many children have you got?

"Two: both daughters. And I dearly wish, I'm really ticked off that I couldn't have more... for professional reasons. I wish there was a bank or something at the United Nations to which I could pay \$10,000 or \$12,000 a year to cover the social costs. And then, boy, I would certainly have a third child. Heavens, yes."

The Da Vinci by IWC.

Even if the name weren't protected, no other watch would be capable of bearing it.



£11,875 - 18ct gold with leather strap. Also available on bracelets.

It has to be a chronograph with perpetual calendar and moon phase display up to the year 2499. That stops the time exactly to an eighth of a second and thereby automatically counts the minutes and the hours.

A chronograph that even knows automatically whether the month has 28, 29, 30 or 31 days — for centuries to come.

A chronograph that shows, day in day out, the position of the moon in the sky. And automatically changes the date, weekday, month and even the year — without the need for any correction — up to New Year's Eve 2199.

A chronograph with a case crafted in 18ct yellow gold on which the individual serial number and your own name is engraved on the base.

Even in the most unlikely event of you ever coming across a watch with these astonishing features, there would still be one significant feature missing.

The Da Vinci is made by IWC.

£4,075 - 18ct gold with leather strap. Also available on bracelets.

It has to be a chronograph that's slim enough to fit on a woman's wrist.

A chronograph that makes it easier to find excuses for being late for an appointment — to the second precisely, where otherwise you could only excuse yourself for the delay of minutes or hours.

A chronograph that cannot tell you what is written in the stars, but will accurately inform you of the moon phase at any given time.

A chronograph with date display. And with an individual serial number engraved on the solid gold case. On which a name may be engraved that is equally worthy of the Da Vinci by IWC.

Your own name.

IWC

International Watch Co. Ltd. Schaffhausen, Switzerland Since 1868

If you would like to know more about the Da Vinci and other masterpieces, please ask for the IWC complete catalogue. IWC (U.K.), 124A Manor Road North, Thames Ditton, Surrey KT7 0BH. Telephone: 081-339 0883. Fax: 081-398 9615. For service and after-sales Tel: 081-339 0884.

LONDON: ASPREY - NEW BOND STREET. HARRODS - WATCH DEPARTMENT. DAVID MORRIS - CONDUIT STREET. THE WATCH GALLERY - FULHAM ROAD AND JERMYN STREET. GARRARD - THE CROWN JEWELLERS. MAPPIN & WEBB - QUEEN VICTORIA STREET, REGENT STREET, HEATHROW TERMINALS 3 & 4. GUILDFORD AND BIRMINGHAM. ALSO AT: HARPERS - HARROGATE AND YORK.

I have them all taped

Michael Thompson-Noel



HAVE YOU read the "Camillagate" tapes, which are said to be of a conversation between Prince Charles and Camilla Parker Bowles? Do not bother. They are juvenile and banal. Instead, let me offer you a fragment of a tape I made on Thursday, all above board, of a four-way teleconference I arranged between the Queen, the prime minister, Lord King of Wartonby (the chairman of British Airways), and Hawks & Handsaws. I think you will find it instructive, for it shows how Britain is run.

Hawks & Handsaws: I think, first, we might address Elizabeth's concerns about the spring Budget.

Elizabeth II: Thankyou, Michael. As you know, Mr Major, I am soon to start paying tax on a portion, yet to be announced, of my income. I shall sign the cheques quite happily, safe in the knowledge that you and my other ministers need money for motorways, airports, hospitals — all manner of good works. What worries me are these reports that you and Mr Lamont are considering raising income tax. To have to start paying income tax is bad luck enough; to have the rate hoisted peremptorily, far above one's head, would be enor-

mously horrendous.

John Major: Let me assure you, your majesty, with promptitude and alacrity, that the government will not be raising income tax in this Budget or any other. As you know, the chancellor is an odd-ball — an entertaining fellow, good at party conferences, but headstrong and flamboyant. I shall announce his new post four weeks after the Budget. On the other hand, a considerable sum of money has got to be found, so find it I shall. The Budget will reveal subtle ways for rehabilitating the public exchequer.

Elizabeth II: I trust, Mr Major, that you are not going to commence phasing out mortgage interest tax relief. I am in the process of mortgaging several of my palaces. And then there is VAT. Until recently, I was oblivious of its existence, but I am informed by my racing manager that I shall be liable to grotesque amounts of VAT on my blood-stock transactions.

John Major: Have no fear, your majesty. The pernicious amount of VAT on UK blood-stock is something which the Treasury is struggling to resolve. In the meantime, I

believe Michael wishes to broach a scheme for rehabilitating the royal finances and recapturing the love and affection which formerly marked your reign.

Hawks & Handsaws: Yah, right. It is a deeply ingenious scheme, but it will need a big sponsor. That is why I asked Lord King to join our teleconference. The reason, Elizabeth, for your loss of popularity has little to do with your children and much to do with the government. It is weary, worn and wracked. People are fed up, so they are directing their ire at the symbols of authority.

What the monarchy needs is a PR coup. It is time you won the Derby. You have hundreds of racehorses, but they are all notoriously slow.

I have had a word with Henryk de Kwiatkowski, America's leading owner — you met him in Kentucky — who will lease you a racehorse to run in the Derby. He owns an unraced firebrand that cannot be overtaken and is sure to last the Derby's 1½ miles. Henryk will fly it to Britain. It will race in your colours. Victory is assured. The populace will be delirious. What is more, you

can win millions off the bookies. They know nothing of this horse.

Elizabeth II: How remarkably super. Mummy will be delighted.

John Major: A quite considerable brainwave.

HAWKS & HANDSAWS

هنا من الوطن